

EOG Resources, Inc. 1060 E Hwy 40 Vernal, Utah 84078

CERTIFIED MAIL

ARTICLE NO: 7006 2150 0003 5770 5086

January 2, 2007

Encana Oil & Gas (USA) Inc. 950 17th Street, Suite 2600 Denver, Colorado 80202 Attn: Ms. Diana Weber

RE: COMMINGLING APPLICATION

HOSS 45-29

1060' FSL - 2037' FWL (SESW)

SECTION 29, T8S, R23E UINTAH COUNTY, UTAH LEASE: UTU 76042

Ms. Weber:

EOG Resources, Inc. has filed an application with the State of Utah Department of Oil Gas and Mining requesting commingling approval in the Wasatch, and Mesaverde formations for the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from cased hole logs. Production from the Wasatch, and Mesaverde formations will be commingled in the wellbore and produced through open ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

Sincerely,

Kaylene R. Gardner Sr. Regulatory Assistant

FORM APPROVED Form 3160-3 (February 2005) OMB No. 1004-0137 Expires March 31, 2007 UNITED STATES DEPARTMENT OF THE INTERIOR Lease Serial No. UTU 76042 BUREAU OF LAND MANAGEMENT If Indian, Allotee or Tribe Name APPLICATION FOR PERMIT TO DRILL OR REENTER 7 If Unit or CA Agreement, Name and No. DRILL la. Type of work: REENTER 8. Lease Name and Well No. ✓ Gas Well 1b. Type of Well: Oil Well Single Zone ✓ Multiple Zone HOSS 45-29 Name of Operator 9. API Well No EOG RESOURCES, INC 3a. Address 3b. Phone No. (include area code) 10. Field and Pool, or Exploratory 1060 EAST HIGHWAY 40 VERNAL, UT 84078 435-781-9111 NATURAL BUTTES Location of Well (Report location clearly and in accordance with any State requirements.*) 11. Sec., T. R. M. or Blk. and Survey or Area At surface 640457 \$4060 FSL 2037 FWL SESW 40.089389 LAT 109.353108 LON SECTION 29, T8S, R23E S.L.B.&M 40 089412 -109.352457 At proposed prod. zone SAME 4438772 14. Distance in miles and direction from nearest town or post office* 12. County or Parish 13. State 39.8 MILES SOUTH OF VERNAL, UTAH UINTAH UT Distance from proposed* 16. No. of acres in lease 17. Spacing Unit dedicated to this well 660 LEASE LINE location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660 DRILLING LINE 1880 40 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 19. Proposed Depth 20. BLM/BIA Bond No. on file 4060 NM 2308 Elevations (Show whether DF, KDB, RT, GL, etc.) 22. Approximate date work will start* 23. Estimated duration 4914 GL 45 DAYS 24. Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form: 1. Well plat certified by a registered surveyor. Bond to cover the operations unless covered by an existing bond on file (see 2. A Drilling Plan.

- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the

| 25. Signeritie | Name (Printed Typed) KAYLENE R. GARDNER | Date 01/02/2007 |
|---------------------------|--|-----------------|
| SR. REGULATORY ASSISTANT | | |
| Applicated by (Signature) | Name (Printed Typed) | Date 08-15-0 |
| Title | Office OF THE CONTROL | |

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease, which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

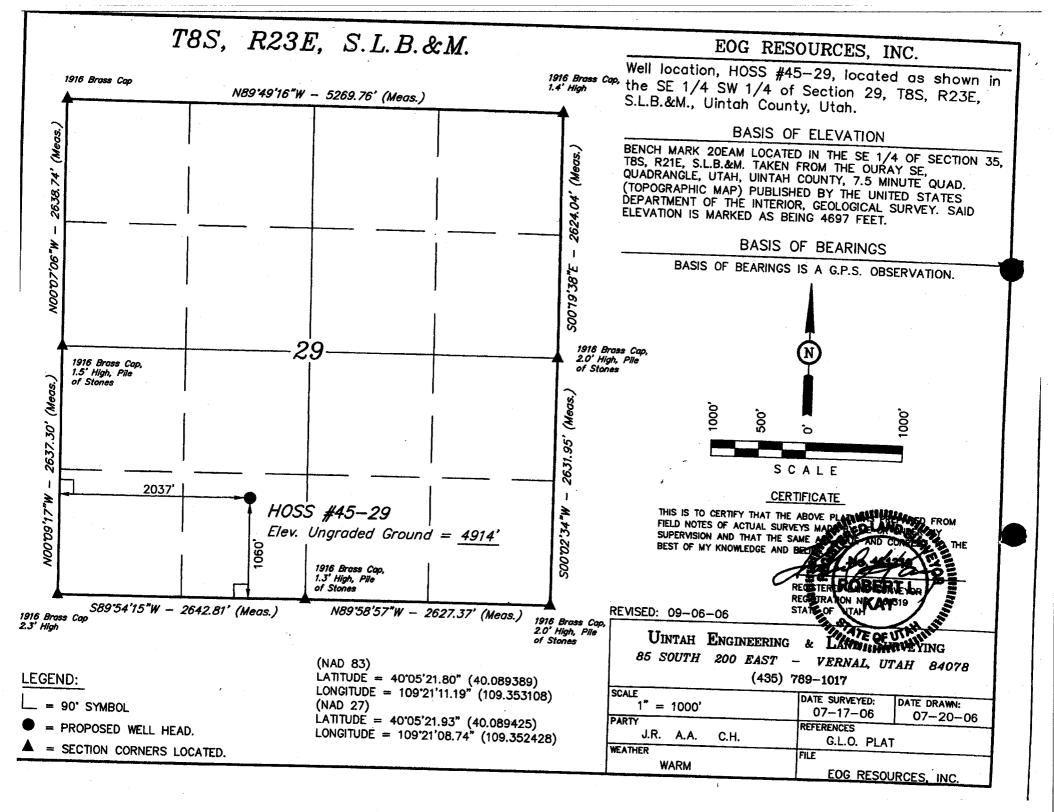
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

Federal Approval of this Action is Necessary

RECEIVED JAN 0 4 2007

DIV. OF OIL, GAS & MINING



) ss

COUNTY OF UINTAH)

VERIFICATION

Kaylene R. Gardner, of lawful age, being first duly sworn upon oath, deposes and says:

She is the Sr. Regulatory Assistant of EOG Resources, Inc., of Vernal, Utah. EOG Resources, Inc. is the operator of the following described well:

HOSS 45-29 1060' FSL - 2037' FWL (SESW) **SECTION 29, T8S, R23E UINTAH COUNTY, UTAH**

EOG Resources, Inc., Encana Oil & Gas (USA) Inc., Yates Petroleum Corp., Exhibit A are the only owners in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

On the 2nd day of January, 2007 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

Said envelope which contained these instruments was addressed to the Utah Division of Oil, Gas & Mining, Bureau of Land Management, Yates Petroleum Corp., and Encana Oil & Gas (USA) Inc.

Further affiant saith not.

ene R. Gardner Sr. Regulatory Assistant

Subscribed and sworn before me this 2nd day of January, 2007.

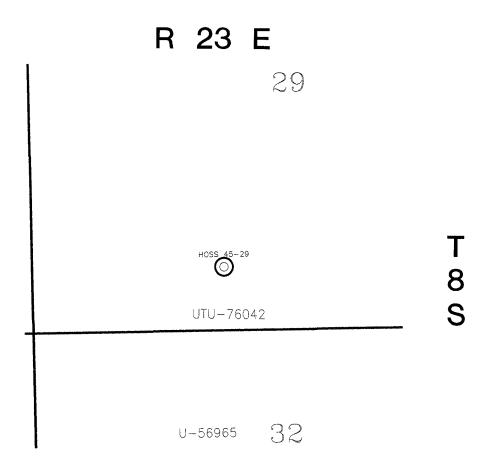
Notary Public CHERYLE A. SNOW 1123 West 1790 South Vernal, Utah 84078 August 1, 2009 State of Utah My Commission Expires:

Chengle a. Snow

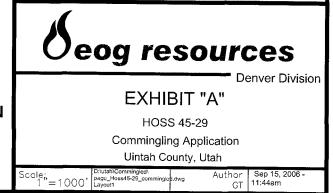
Exhibit "A" to Affidavit Hoss 45-29 Application to Commingle

Encana Oil & Gas (USA) Inc. 950 17th Street, Suite 2600 Denver, Colorado 80202 Attn: Ms. Diana Weber

Yates Petroleum Corp. 105 S. Fourth St. Artesia, NM 88210



O HOSS 45-29





HOSS 45-29 SE/SW, SEC. 29, T8S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

| FORMATION | TVD-RKB (ft) | Objective | Lithology | |
|------------------------|--------------|-----------|-----------|-----|
| Green River | 2,188 | | Shale | |
| Wasatch | 5,093 | Primary | Sandstone | Gas |
| Chapita Wells | 5,806 | Primary | Sandstone | Gas |
| Buck Canyon | 6,490 | Primary | Sandstone | Gas |
| North Horn | 7,095 | Primary | Sandstone | Gas |
| KMV Price River | 7,606 | Primary | Sandstone | Gas |
| KMV Price River Middle | 8,407 | Primary | Sandstone | Gas |
| KMV Price River Lower | 9,278 | Primary | Sandstone | Gas |
| Sego | 9,677 | | Sandstone | |
| TD | 9,890 | | - | |

Estimated TD: 9,890' or 200'± below Sego top

Anticipated BHP: 5,400 Psig

- 1. Fresh Waters may exist in the upper, approximately 1,000 ft \pm of the Green River Formation, with top at about 2,000 ft \pm .
- 2. Cement isolation is installed to surface of the well isolating all zones by cement.

EOG Resources, Inc. requests authorization for commingling of production from the Wasatch and Mesaverde formations in the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from open hole logs. Production from the Wasatch and Mesaverde formations will be commingled in the wellbore and produced through open ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig BOP schematic diagrams attached.

<u>HOSS 45-29</u> <u>SE/SW, SEC. 29, T8S, R23E, S.L.B.&M..</u> <u>UINTAH COUNTY, UTAH</u>

4. CASING PROGRAM:

| HOLE SIZE | INTERVAL | LENGTH | SIZE | WEIGHT | GRADE | THREAD | | ING FACTOR PSE BURST TENSILE |
|-------------|----------|-----------------|---------|--------|-------|--------|----------|------------------------------|
| Conductor: | 26" | 0' - 45' | 13 3/8" | 48.0# | H-40 | STC | 770 PSI | 1730 PSI 322,000# |
| Surface: | 17 ½" | 45' - 2,300'KB± | 9-5/8" | 36.0# | J-55 | STC | 2020 PSI | 3520 Psi 394,000# |
| Production: | 7-7/8" | 2,300'± - TD | 4-1/2" | 11.6# | P-110 | LTC | 7560 PSI | 10,710 Psi 284,000# |

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5%" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone. All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

<u>Production Hole Procedure (2300' \pm - TD):</u> Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'±-TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be

HOSS 45-29 SE/SW, SEC. 29, T8S, R23E, S.L.B.&M.. **UINTAH COUNTY, UTAH**

used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

VARIANCE REQUESTS:

Onshore Oil and Gas Order No. 2 - Item E: Special Drilling Operations Reference:

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

8. EVALUATION PROGRAM:

Logs:

Mud log from base of surface casing to TD.

Cased-hole Logs:

Cased-hole logs will be run in lieu of open-hole logs consisting of the following:

Cement Bond / Casing Collar Locator and Pulsed Neutron

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead:

Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCI₂, 3 #/sx GR3 #/sx

Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail:

Class "G" cement with 2% CaCI₂, ½#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps

water.

Top Out: As necessary with Class "G" cement with 2% CaCI₂, ½#/sk Flocele mixed at 15.6 ppg, 1.18

ft³/sk., 5.2 gps water.

Note:

Cement volumes will be calculated to bring lead cement to surface and tail cement to

500'above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead:

160 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44

(Salt),0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29

(cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail:

930 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13

(Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at

HOSS 45-29 SE/SW, SEC. 29, T8S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note:

The above number of sacks is based on gauge-hole calculation.

Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch. Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

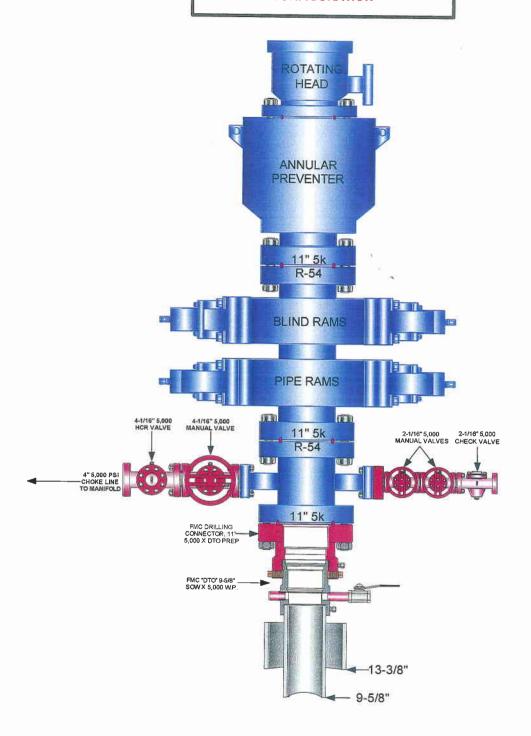
12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

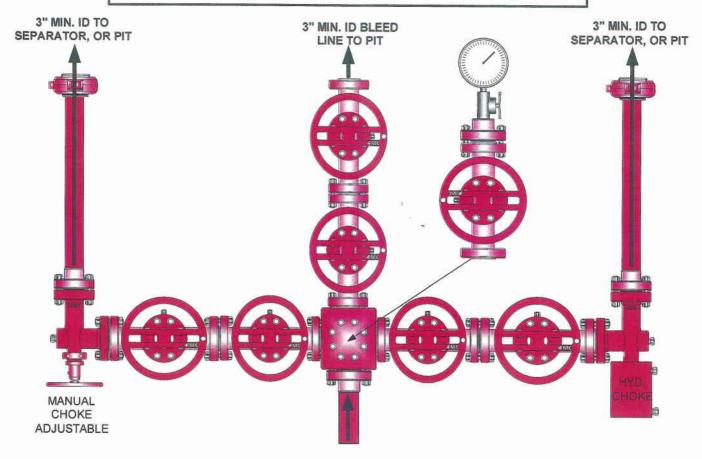
EOG RESOURCES 11" 5,000 PSI W.P. BOP CONFIGURATION

PAGE 1 OF 2



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES

PAGE 2 0F 2



4" 5,000 PSI CHOKE LINE FROM HCR VALVE

Testing Procedure:

- 1. BOP will be tested with a professional tester to conform to Onshore Order #2.
- 2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
- 3. Annular Preventer will be tested to 50% working pressure, 2,500 psi. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
- 4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
- 5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



HOSS 45-29 SESW, Section 29, T8S, R23E Uintah County, Utah

SURFACE USE PLAN

NOTIFICATION REQUIREMENTS

Location Construction:

Forty-eight (48) hours prior to construction of location and access

roads.

Location Completion:

Prior to moving on the drilling rig.

Spud Notice:

At least twenty-four (24) hours prior to spudding the well.

Casing String and

Cementing:

Twenty-four (24) hours prior to running casing and cementing

all casing strings.

BOP and related

Equipment Tests:

Twenty-four (24) hours prior to running casing and tests.

First Production Notice: Within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90)

days.

Seog resources

HOSS 45-29 SESW, Section 29, T8S, R23E Uintah County, Utah

SURFACE USE PLAN

NOTIFICATION REQUIREMENTS

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Cementing: all casing strings.

BOP and related Twenty-four (24) hours prior to running easing and tests. Equipment Tests:

First Production Notice: Within five (5) business days after new well begins or production

resumes after well has been off production for more than ninety (90)

days.

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 528 feet long with a 30-foot right-of-way, disturbing approximately 0.36 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.20 acres. The pipeline is approximately 780 feet long with a 40-foot right-of-way, within Federal Lease UTU-76042 disturbing approximately 0.72 acres.

1. EXISTING ROADS:

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 39.8 miles south of Vernal, Utah See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

- A. The access road will be approximately 528' in length. One (1) low water crossing shall be installed.
- B. The access road has a 30 foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface. Gravel shall be used as needed.
- H. No gates, cattleguards, or fences will be required or encountered.
- No permanent road right-of-way on Federal acreage is required.

All travel will be confined to existing access road right-of-way.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be constructed/upgraded to meet the standards to the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed

safe road. Prior to upgrading the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation or debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around then avoided

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:

See attached TOPO map "C" for the location of wells within a one-mile radius.

4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

A. On Well Pad

- Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400 BBL vertical tanks and attaching piping.
- 2. Gas gathering lines A 4" gathering line will be buried from dehy to the edge of the location.
- 3. The area inside the anchors where truck traffic will occur shall be graveled as needed.

B. Off Well Pad

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. The length of the new proposed pipeline is 2980' x 40'. The proposed pipeline leaves the northern edge of the well pad (Lease UTU 76042) proceeding in a northerly direction for an approximate distance of 2980' tieing into an existing pipeline located in the NWSW of Section 29, T8S, R23E (Lease UTU-76042). Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lok, electric weld with a 35 mil X-Tru coating.

- 3. Proposed pipeline will be a 4" OD steel, Zap-Lok line laid on the surface
- 4. Protective measures and devices for livestock and wildlife will be taken and /or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. All existing facilities will be painted with Carlsbad Canyon. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/ or Target Trucking Inc.'s water source in the SW/SW. Sec 35, T9S, R22E Uintah County, Utah (State Water Right # 49-1501, and/or Bonanza Power Plant water source in Sec 26, T8S, R23E Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. Source of Construction Materials:

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.

- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 16 millimeter plastic liner.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the northeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the east side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil east of corner #5. The stockpiled location topsoil will be stored between corners 3 and the access road. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpiller tractor.

Access to the well pad will be from the west.

A two foot berm shall be constructed on the north side of the location.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the

opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Producing Location

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

| Seed Mixture | Drilled Rate (lbs./acre PLS*) |
|--------------------|----------------------------------|
| Crested Wheatgrass | 6.0 |
| Forage Kochia | 6.0 |

^{*}Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

| Seed Mixture | Drilled Rate (lbs./acre PLS*) | | |
|--------------------|----------------------------------|--|--|
| Gardner Saltbush | 3.0 | | |
| Shadscale | 3.0 | | |
| Crested Wheatgrass | 3.0 | | |

^{*}Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

Bureau of Land Management

12. OTHER INFORMATION:

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:
 - Whether the materials appear eligible for the National Register of Historic Places;
 - The mitigation measures the operator will likely have to undertake before the site can be used.
 - A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application or herbicides or other pesticides or possible hazardous chemicals.
- C. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.
- D. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage

on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" and "Right-of-Way grant", if applicable, will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey was conducted and submitted September 7, 2006 by Montgomery Archaeological Consultants. A Paleontology survey was conducted and will be submitted August 17, 2006 by Dr. Wade Miller.

13. Additional Requirements:

One erosion/water diversion dam with an 18" culvert spillway shall be constructed on the east end of the location diverting water around the southside of the well pad.

14. WILDLIFE STIPULATIONS:

No construction or drilling will be allowed during the Antelope kidding season of May 15 to June 20 unless clearance has been obtained by the BLM wildlife biologist.

Prior to any construction between March 1 and July 15, all areas within 0.5 mile of the proposed location shall be surveyed for ferruginous hawk nests. If active nests are identified, no surface disturbance will occur until the nest has been inactive for a two-year period. If no nests are found within 0.5 mile of the proposed location, construction and drilling can occur.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT

Kaylene R. Gardner EOG Resources, Inc. P.O. Box 1815 Vernal, Ut 84078 (435) 781-9111

DRILLING OPERATIONS

Donald Presenkowski EOG Resources, Inc. P.O. Box 250 Big Piney, WY 83113 307-276-4865

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Hoss 45-29 well, located in SWSE, of Section 29, T8S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

January 2, 2007

Date

Kaylene R. Gardner, Sr. Regulatory Assistant

Request for Exception to Buried Pipeline Requirement HOSS 45-29 SWSE, Sec. 29, T8S, R23E UTU-76042

EOG Resources, Inc. requests a variance to the requirement for a buried gas sales pipeline for the referenced well for the following reasons:

- 1. In order to bury pipe on the gas sales line route, additional surface disturbance relative to surface pipeline would be approximately <u>50'X Length</u> acres.
- 2. Ripping, cutting, or blasting of rock would be required, which in turn would leave long-term spoils on the right-of-way.
- 3. The disturbed soils on the pipeline corridor would be difficult to rehabilitate and would be susceptible to noxious weed infestation, which in turn would be hazardous to livestock.
- 4. Supplemental soil to replace removed rock would need to be hauled in from other locations to provide bedding and cover material.
- 5. The buried pipe would need to be coated and/or wrapped to minimize the potential for corrosion-caused gas leaks and blowouts.
- 6. Burying of pipe next to access roads increases the potential for damage, explosion, and fire when using graders and/or dozers for snow removal or road rehabilitation.
- 7. Surface equipment, including risers with blow down valves and pipeline markers will be required, adding to negative visual impact.
- 8. Disturbance of previously rehabilitated pipeline corridor could be necessary if increasing well density requires crossing of the corridor or location construction on the corridor.
- 9. Pipeline corridors subject to poor rehabilitation characteristics are susceptible to high rates of soil erosion.
- 10. Buried shallow pipelines in low areas subject to the occasional presence of standing water are susceptible to movement and surfacing.

EOG RESOURCES, INC. HOSS #45-29

LOCATED IN UINTAH COUNTY, UTAH SECTION 29, T8S, R23E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



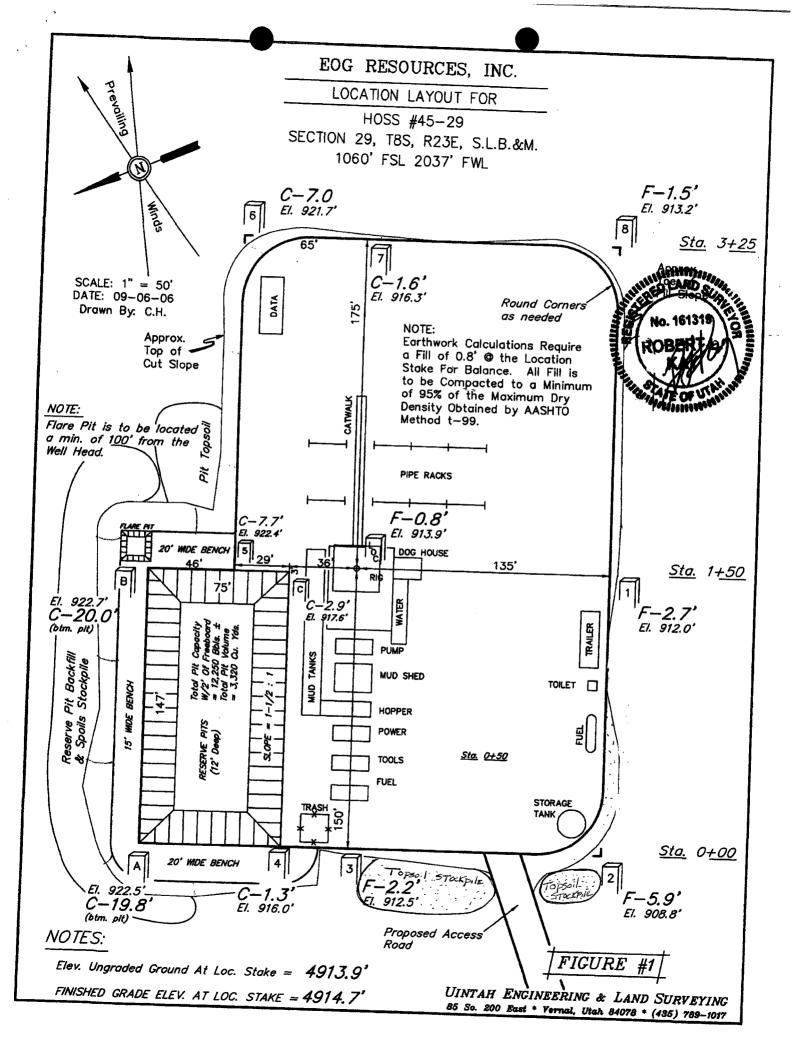
Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 435-789-1017 vels@uelsinc.com

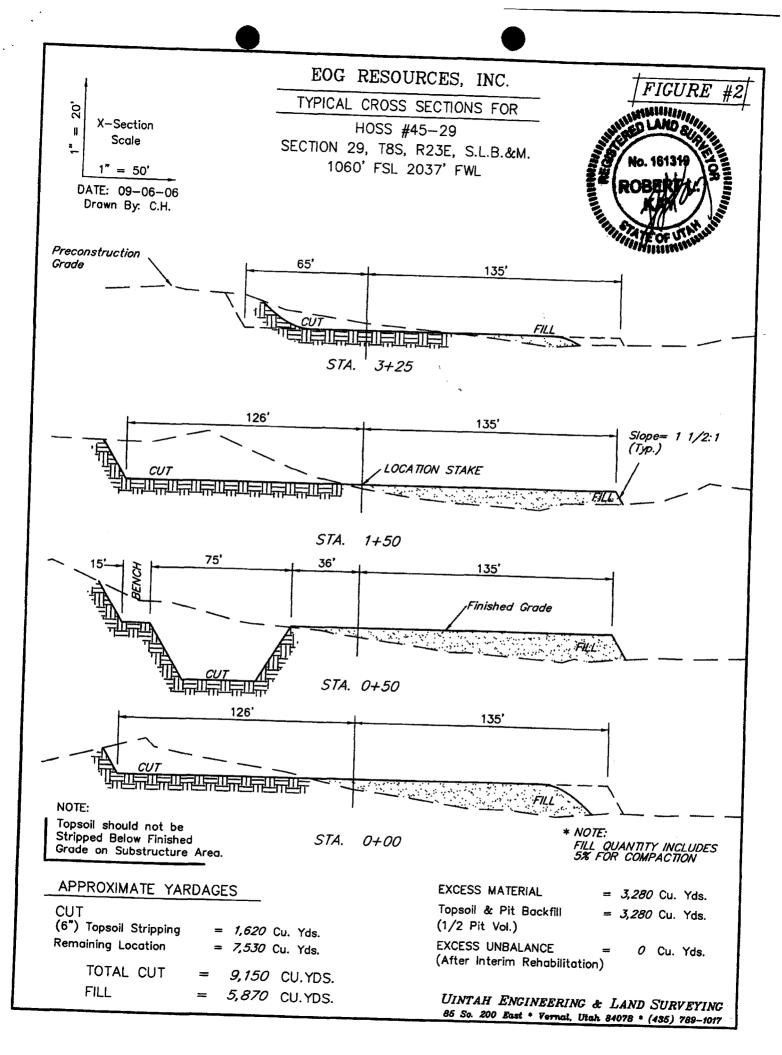
LOCATION PHOTOS

MONTH DAY YEAR

PHOTO

TAKEN BY: T.A. | DRAWN BY: C.P. | REV: 09-06-06 C.H.



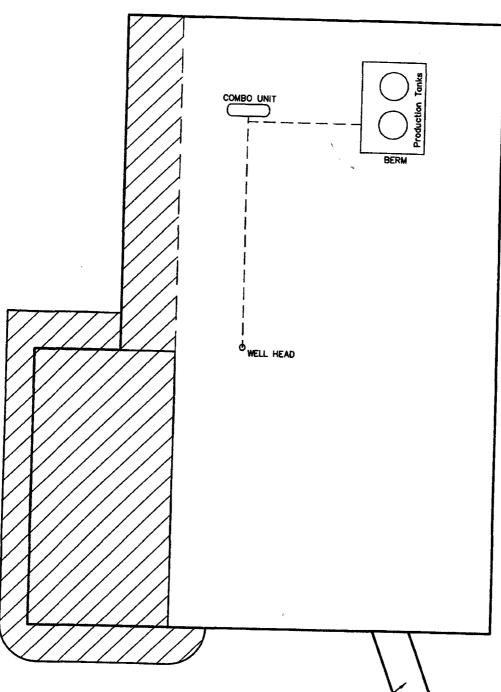


EOG RESOURCES, INC.

PRODUCTION FACILITY LAYOUT FOR UTAH

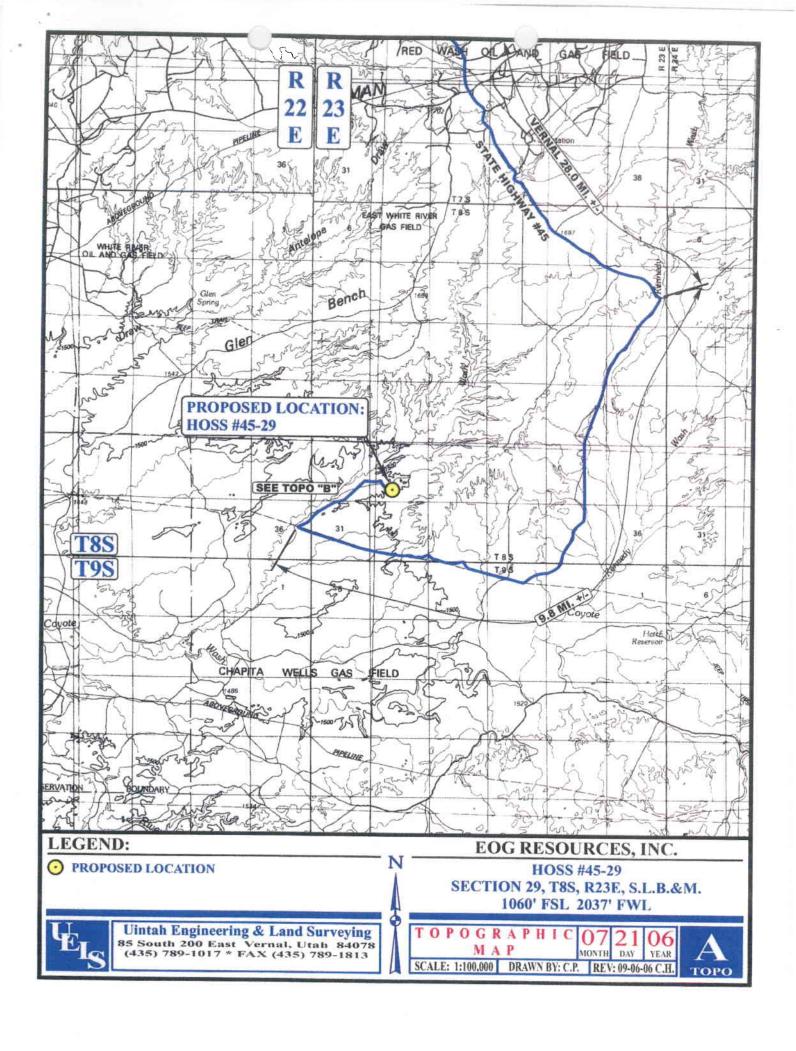


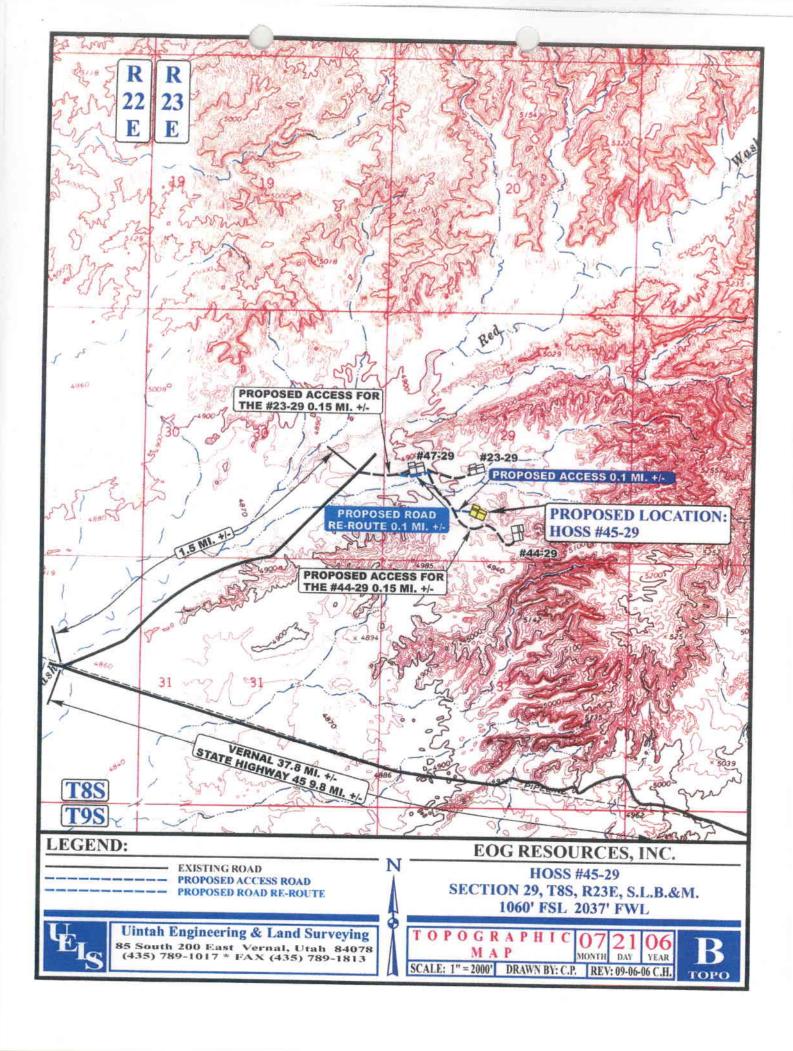


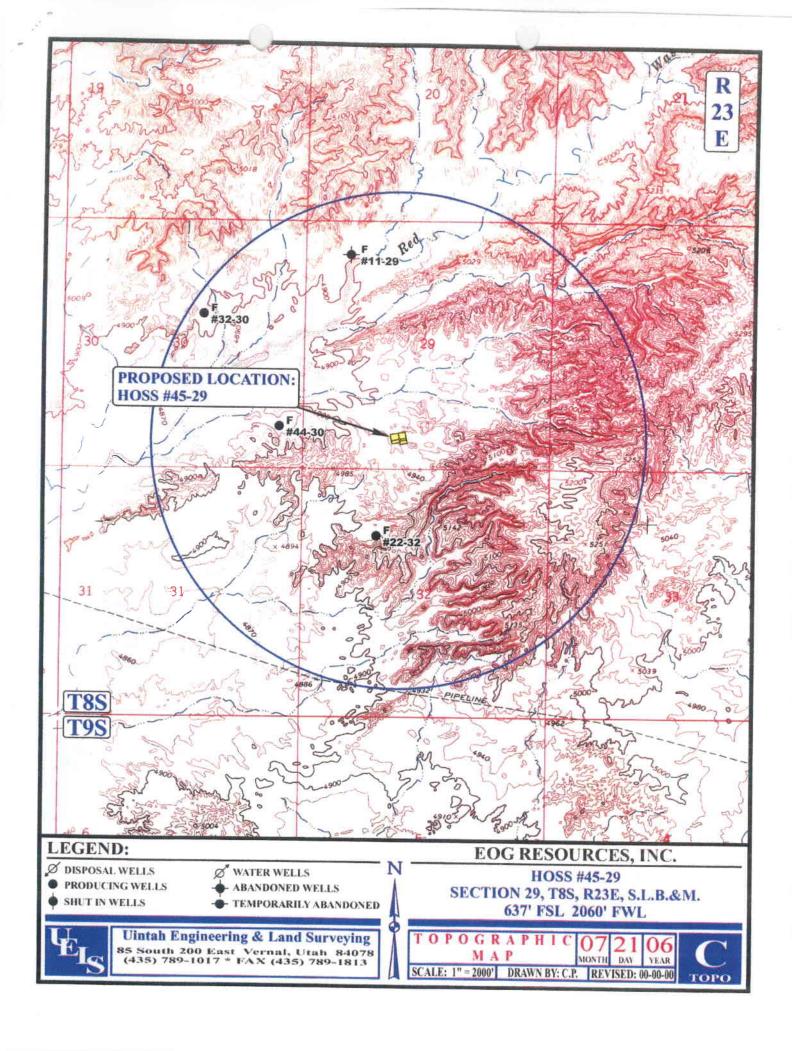


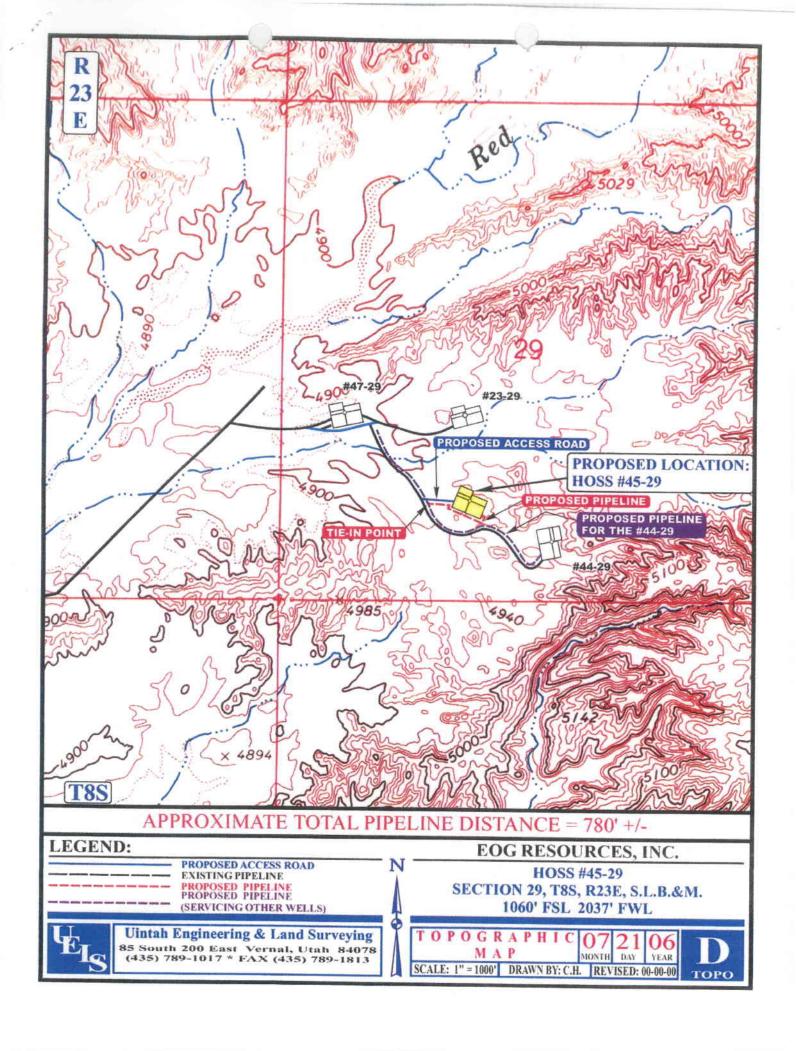
Proposed Access'

UINTAH ENGINEERING & LAND SURVEYING 85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

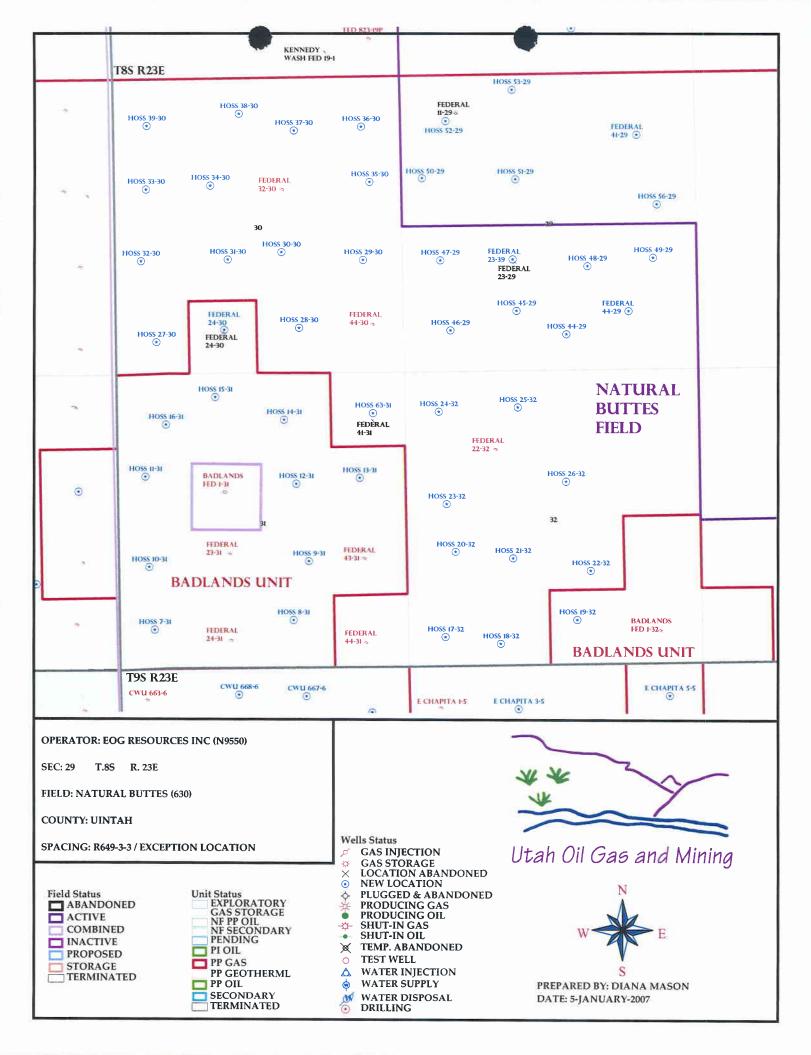








| APD RECEIVED: 01/04/2007 | | | API NO. ASSIGNED: 43-047-38959 | | | |
|--|--|--------|--|------------|-------------|--|
| WELL NAME: | HOSS 45-29 | | | | | |
| OPERATOR: | EOG RESOURCES INC (N9550) | | PHONE NUMBER: | 435-781-91 | 11 | |
| CONTACT: | KAYLENE GARDNER | | | | | |
| PROPOSED LO | OCATION: | | INSPECT LOCATN | BY: / | / | |
| | 29 080S 230E 1060 FSL 2037 FWL | | Tech Review | Initials | Date | |
| SURFACE: 1060 FSL 2037 FWL BOTTOM: 1060 FSL 2037 FWL COUNTY: UINTAH | | | Engineering | Dus | 1/25/07 | |
| | | | Geology | | | |
| | 40.08941 LONGITUDE: -109.3525 | 70 | Surface | | | |
| | EASTINGS: 640457 NORTHINGS: 44387 E: NATURAL BUTTES (630 | | Durrace | | | |
| LEASE NUMBE | 1 - Federal ER: UTU 76042 JER: 1 - Federal JD/OR REVIEWED: | | PROPOSED FORMAT COALBED METHANE ON AND SITING: | | ۲v | |
| - | , ok 1121121120. | | | | | |
| Plat | Prefital Traffic des (1 Prefit | R | 649-2-3. | | | |
| | Fed[1] Ind[] Sta[] Fee[] NM 2308) | Unit:_ | | | | |
| . 1 | sh (Y/N) | R | _ R649-3-2. General | | | |
| N Oil Shale 190-5 (B) or 190-3 or 190-13 | | | Siting: 460 From Qtr/Qtr & 920' Between Wells | | | |
| | Permit | R | 649-3-3. Excep | tion | | |
| (No. $\frac{49-1501}{\text{RDCC Review (Y/N)}}$) | | | Drilling Unit | | | |
| (Dat | · • • • • • • • • • • • • • • • • • • • | | Board Cause No: | | | |
| A 13A | | | Eff Date: Siting: | | | |
| Intent to Commingle (Y/N) (Wusatch Mesaverde) R649-3-11. Directional Drill | | | .11 | | | |
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| COMMENTS: _ | | | | | | |
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| STIPULATIONS: 1- de di va Opprovid | | | | | | |
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| | 3-Commingle | | ð, | | | |
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| STATE OF UTAH | FORM 9 | | | |
|--|---|--|--|--|
| DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING | 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-76042 | | | |
| SUNDRY NOTICES AND REPORTS ON WELLS | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: | | | |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | 7. UNIT or CA AGREEMENT NAME: | | | |
| 1. TYPE OF WELL OIL WELL GAS WELL . OTHER | 8. WELL NAME and NUMBER: Hoss 45-29 | | | |
| 2. NAME OF OPERATOR: EOG Resources, Inc. | 9. API NUMBER: 43-047-38959 | | | |
| 3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 262-2812 | 10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesavero | | | |
| 4. LOCATION OF WELL | | | | |
| FOOTAGES AT SURFACE: 637' FSL & 2,060' FWL 40.088231 LAT 109.353022 LON | COUNTY: UINTAH | | | |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 29 8S 23E S.L.B.& M. | STATE: UTAH | | | |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPO | ORT, OR OTHER DATA | | | |
| TYPE OF SUBMISSION TYPE OF ACTION | | | | |
| ✓ NOTICE OF INTENT ☐ ACIDIZE ☐ DEEPEN | REPERFORATE CURRENT FORMATION | | | |
| (Submit in Duplicate) ALTER CASING FRACTURE TREAT | SIDETRACK TO REPAIR WELL | | | |
| Approximate date work will start: CASING REPAIR NEW CONSTRUCTION | TEMPORARILY ABANDON | | | |
| CHANGE TO PREVIOUS PLANS OPERATOR CHANGE | TUBING REPAIR | | | |
| CHANGE TUBING PLUG AND ABANDON | VENT OR FLARE | | | |
| SUBSEQUENT REPORT CHANGE WELL NAME PLUG BACK (Submit Original Form Only) | WATER DISPOSAL | | | |
| Date of work completion: CHANGE WELL STATUS PRODUCTION (START/RESUME) | WATER SHUT-OFF | | | |
| COMMINGLE PRODUCING FORMATIONS RECLAMATION OF WELL SITE | OTHER: APD EXTENSION | | | |
| CONVERT WELL TYPE RECOMPLETE - DIFFERENT FORMATION | REQUEST | | | |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. EOG Resources, Inc. requests authorization to change the location layout, as per the attached revised plat, for the referenced well. The original location layout did not provide adequate surface disturbance to install rig anchors at distances as required by the manufacturer and API specifications. | | | | |
| NAME (PLEASE PRINT) Carrie MacDonald TITLE Operations Cler | k | | | |

(This space for State use only)

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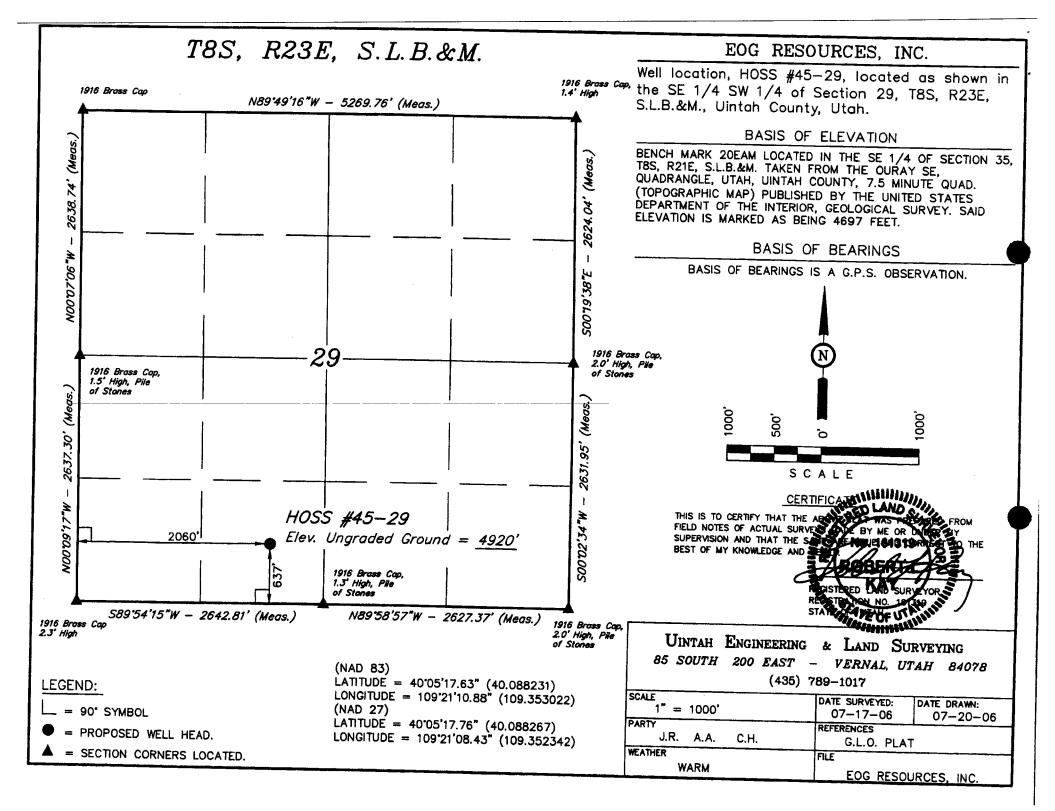
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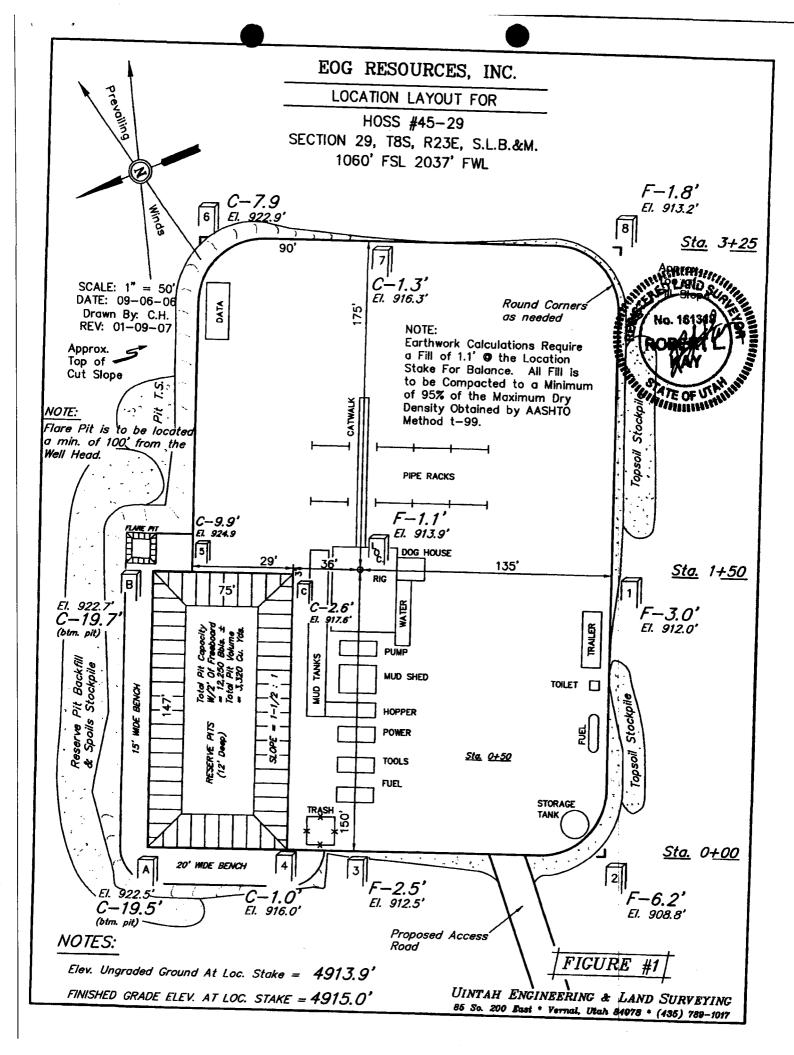
5/4/2007

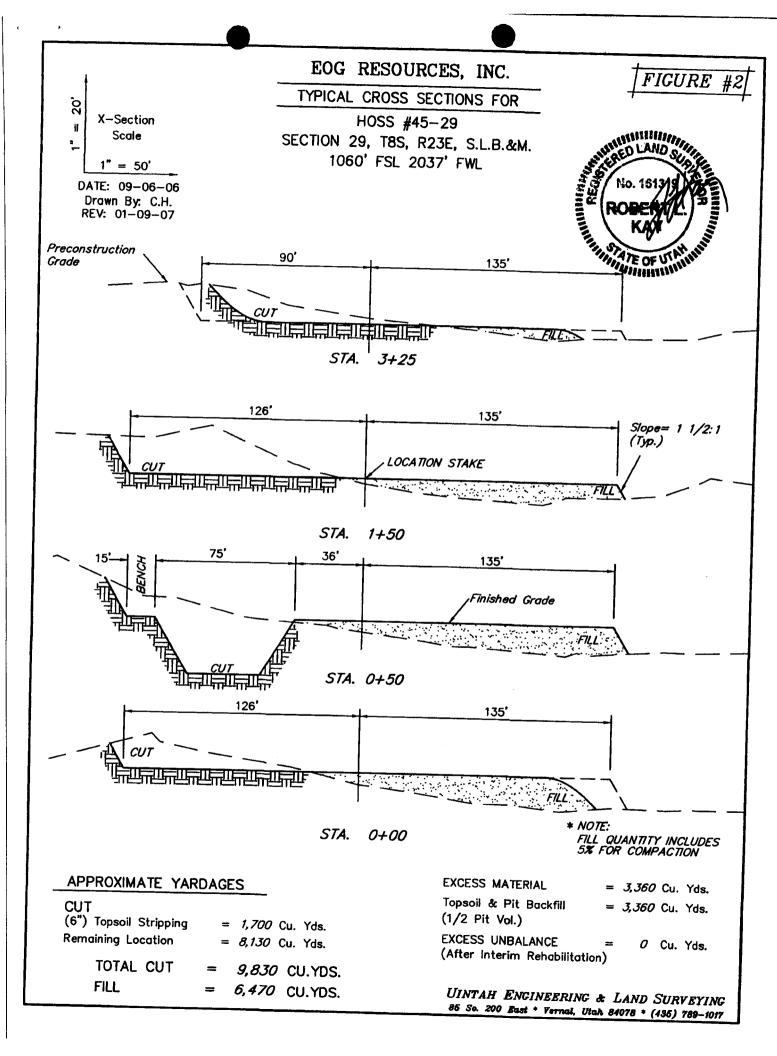
EOG RESOURCES, INC. HOSS #45-29 SECTION 29, T8S, R23E, S.L.B.&M.

PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 24.1 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN WESTERLY DIRECTION APPROXIMATELY 9.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.5 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #23-29 TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE BEGINNING OF THE PROPOSED ROAD RE-ROUTE TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 39.8 MILES.

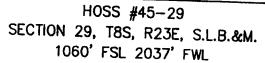


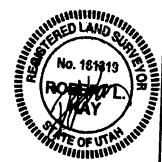




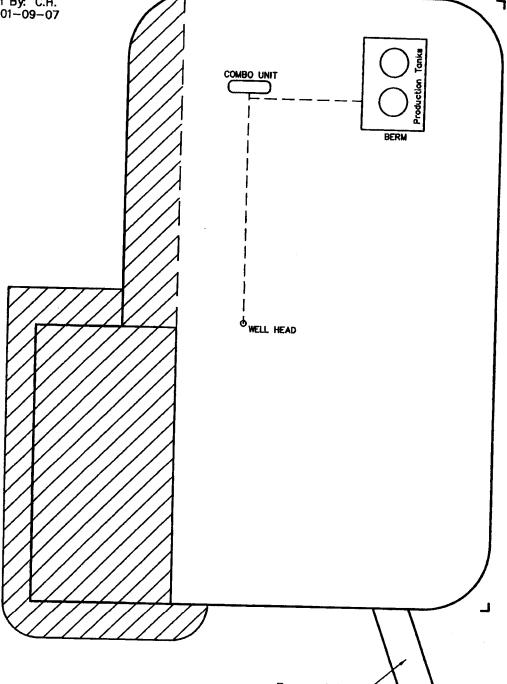
EOG RESOURCES, INC.

PRODUCTION FACILITY LAYOUT FOR





SCALE: 1" = 50' DATE: 09-06-06 Drawn By: C.H. REV: 01-09-07



Proposed Access' Road

UINTAH ENGINEERING & LAND SURVEYING 85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

RE-HABED AREA

EOG RESOURCES, INC.

HOSS #45-29 LOCATED IN UINTAH COUNTY, UTAH SECTION 29, T8S, R23E, S.L.B.&M.

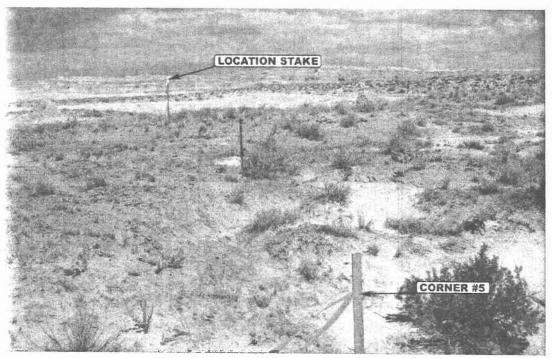


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY

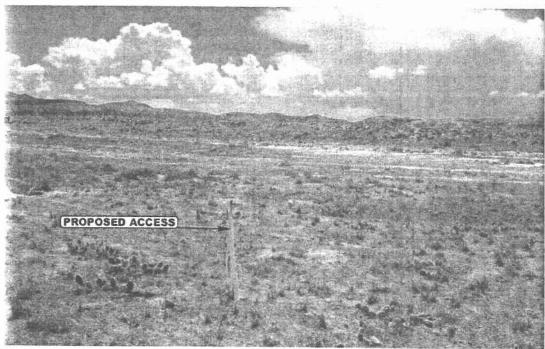


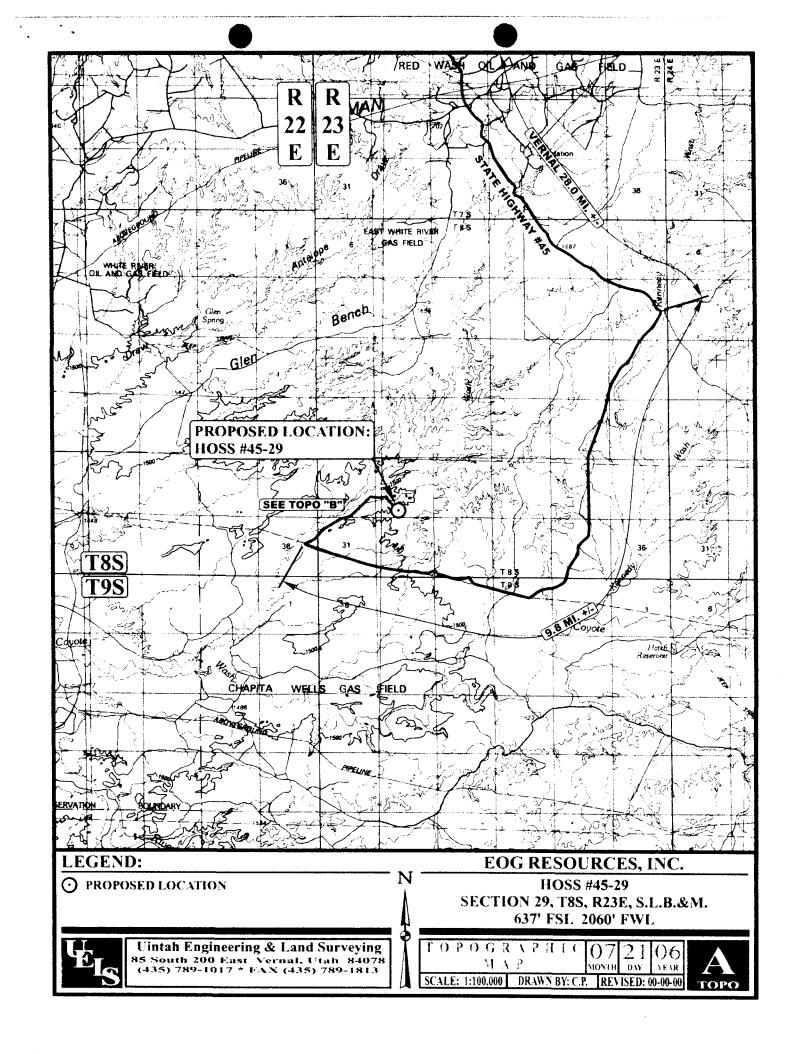
PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

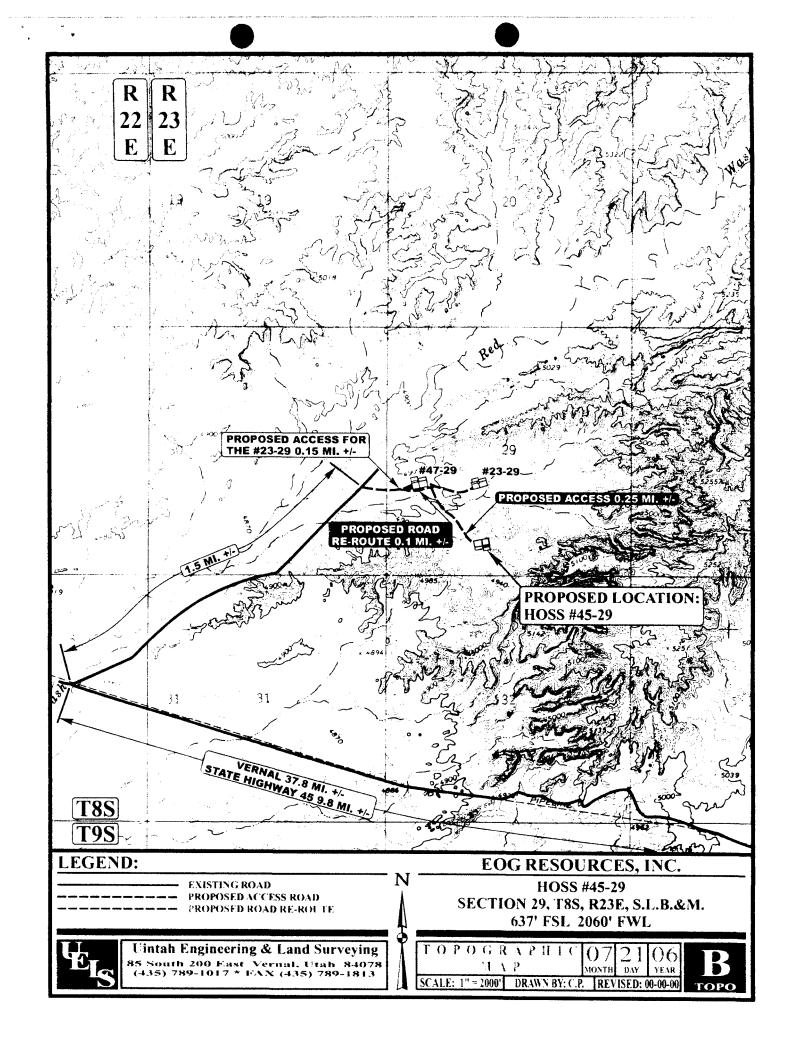
CAMERA ANGLE: SOUTHEASTERLY

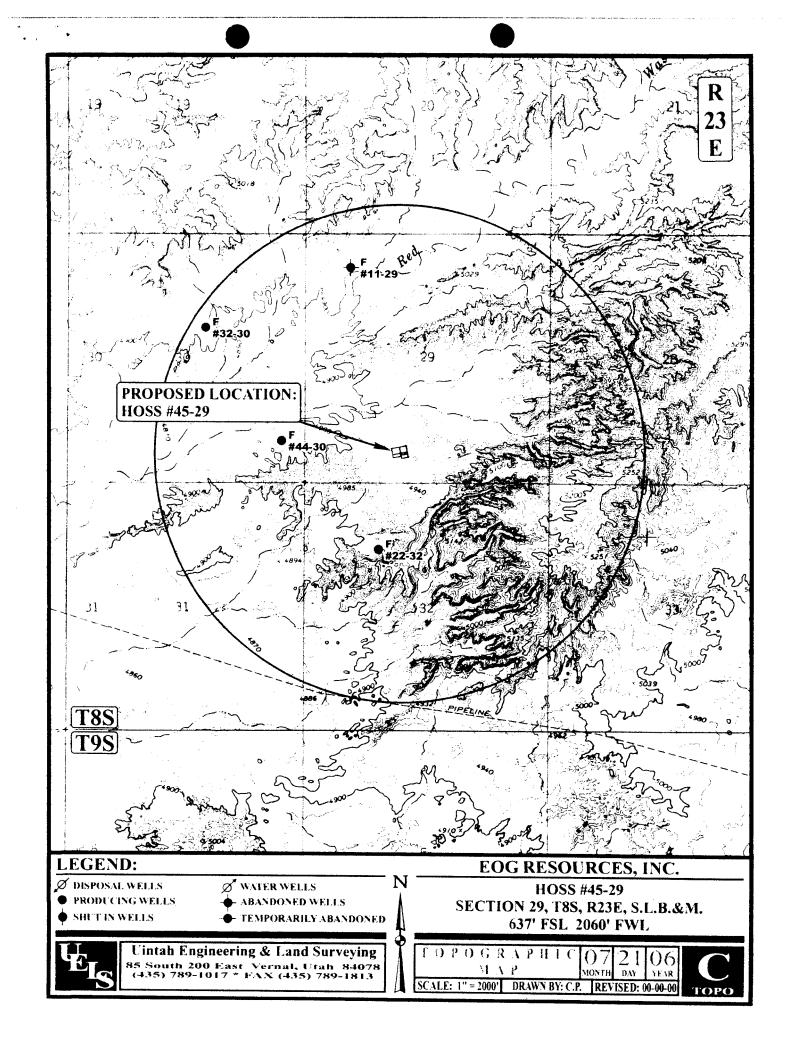


Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

| LOCATION | PHOTOS | () 7 MONTH | 21 | 06 YEAR | РНО |
|---------------|-------------|---------------|-------|------------|-----|
| TAKEN BY: LR. | DRAWN BY: C | P. REV | ISED: | 00-00-00 | |









EOG Resources, Inc. 600 Seventeenth Street

Suite 1000N Denver, CO 80202 Main: 303-572-9000 Fax: 303-824-5400

May 17, 2007

Utah Division of Oil, Gas, and Mining 1594 West North Temple Suite 1210 Salt Lake City, UT 84114

RE:

Hoss 45-29

Location Layout Revision 1,060' FSL & 2,037' FWL SESW, Sec. 29-T8S-R23E

To Whom It May Concern:

EOG Resources, Inc. requests authorization to change the location layout, as per the attached revised plat, for the referenced well. The Application for Permit to Drill was submitted on January 2, 2007 and is pending approval. The original location layout did not provide adequate surface disturbance to install rig anchors at distances as required by the manufacturer and API specifications. If you have any questions, please contact me at 303-262-2812.

Sincerely,

Carrie MacDonald Operations Clerk

Enclosures

RECEIVED MAY 1 8 2007

DIV. OF OIL, GAS & MINING

EOG RESOURCES, INC.

HOSS #45-29

LOCATED IN UINTAH COUNTY, UTAH SECTION 29, T8S, R23E, S.L.B.&M.

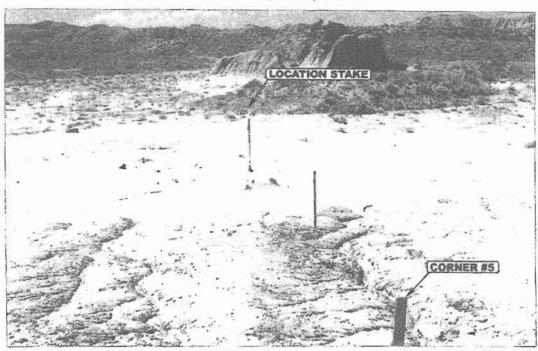


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY

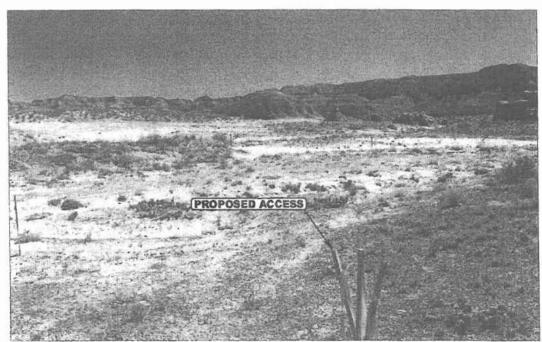


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

07 21 06 MONTH DAY YEAR

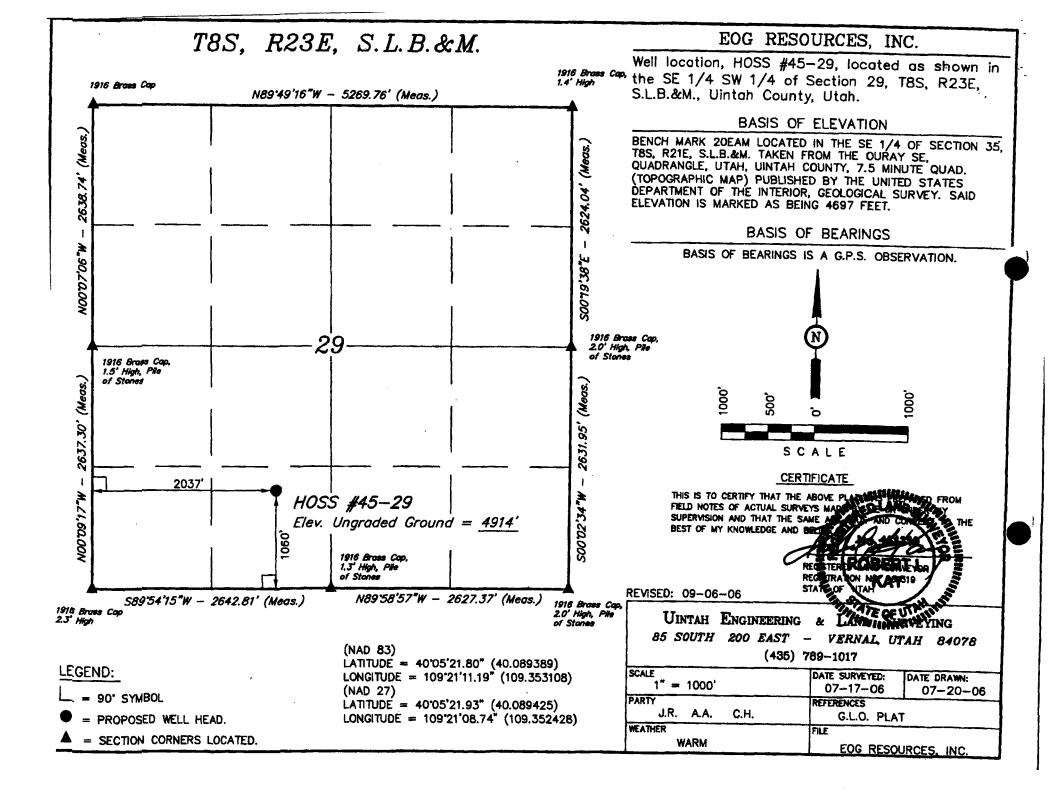
РНОТО

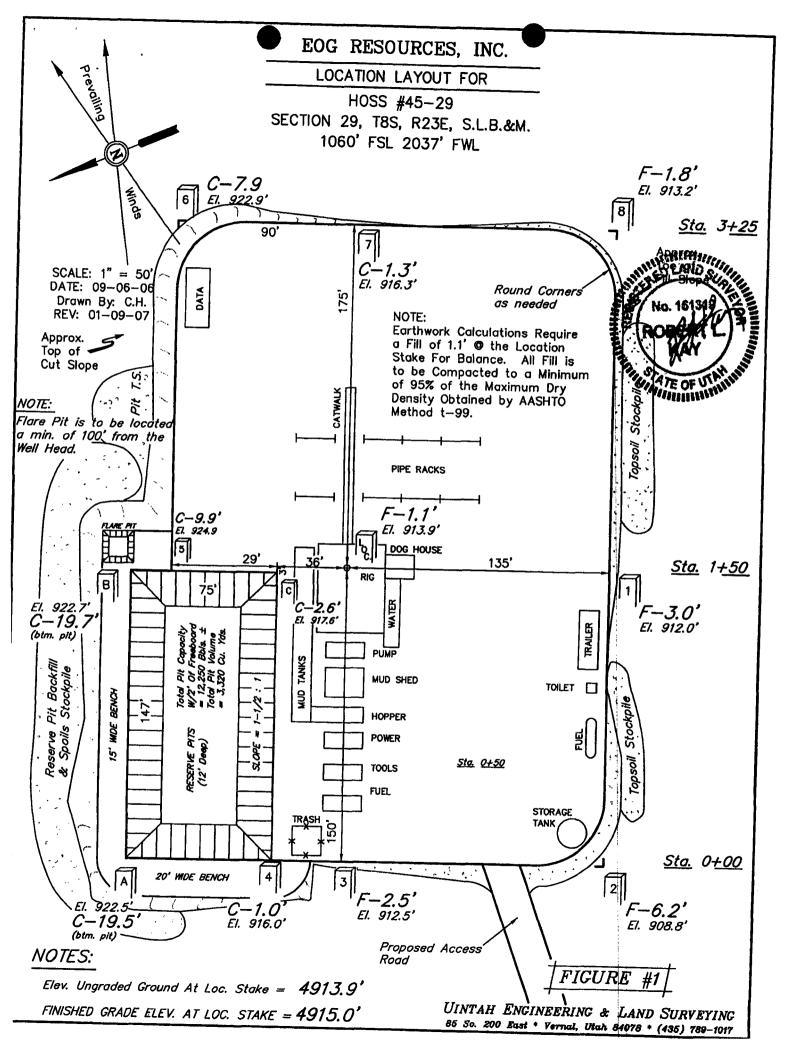
TAKEN BY: T.A. | DRAWN BY: C.P. | REV: 09-06-06 C.H.

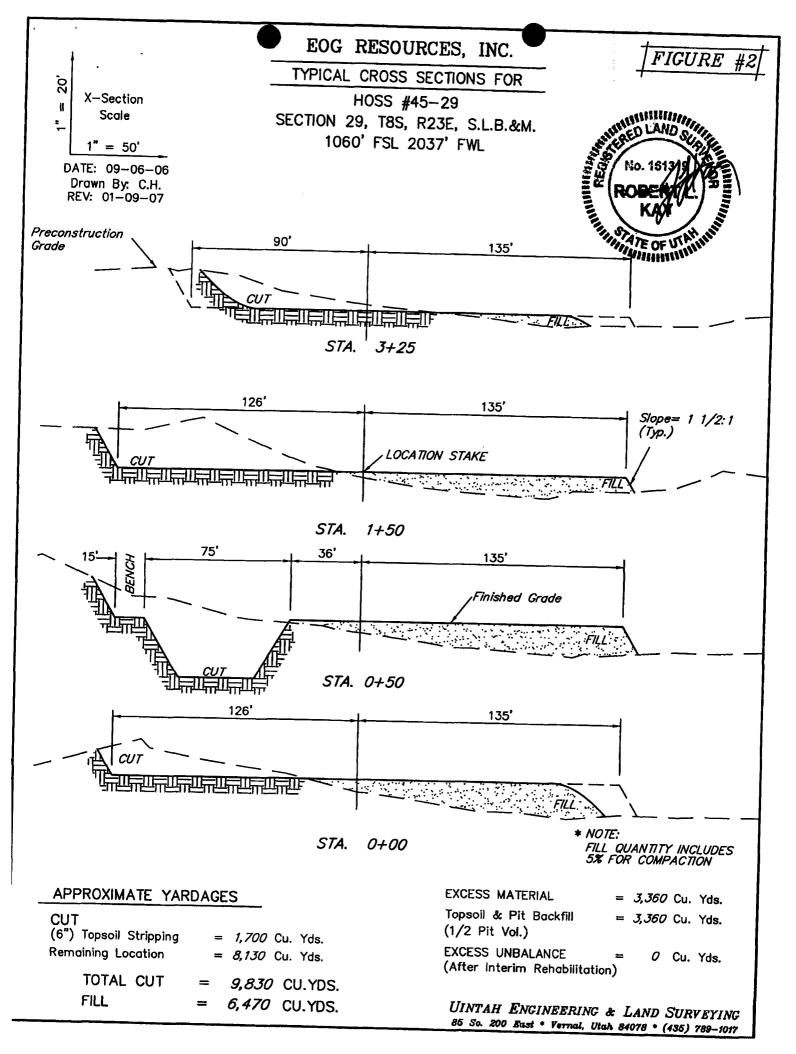
EOG RESOURCES, INC. HOSS #45-29 SECTION 29, T8S, R23E, S.L.B.&M.

PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 24.1 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN WESTERLY DIRECTION APPROXIMATELY 9.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.5 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #23-29 TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE BEGINNING OF THE PROPOSED ROAD RE-ROUTE TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE PROPOSED LOCATION.

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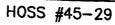




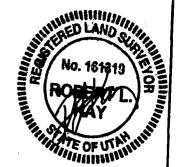


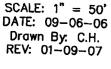
EOG RESOURCES, INC.

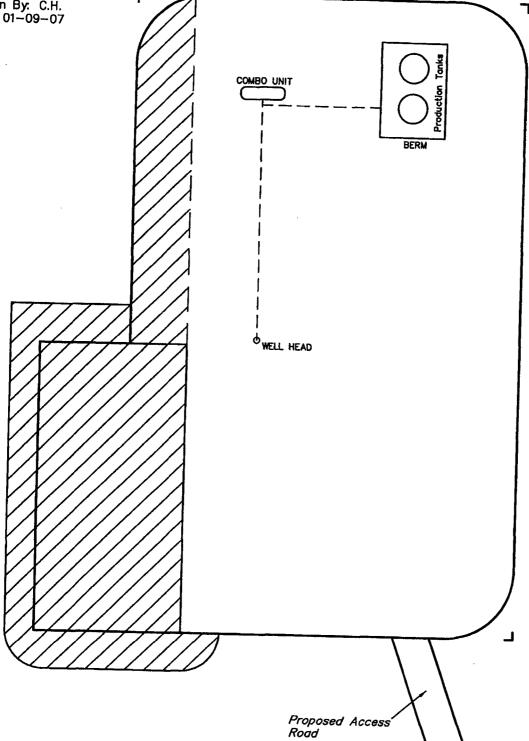
PRODUCTION FACILITY LAYOUT FOR



SECTION 29, T8S, R23E, S.L.B.&M. 1060' FSL 2037' FWL



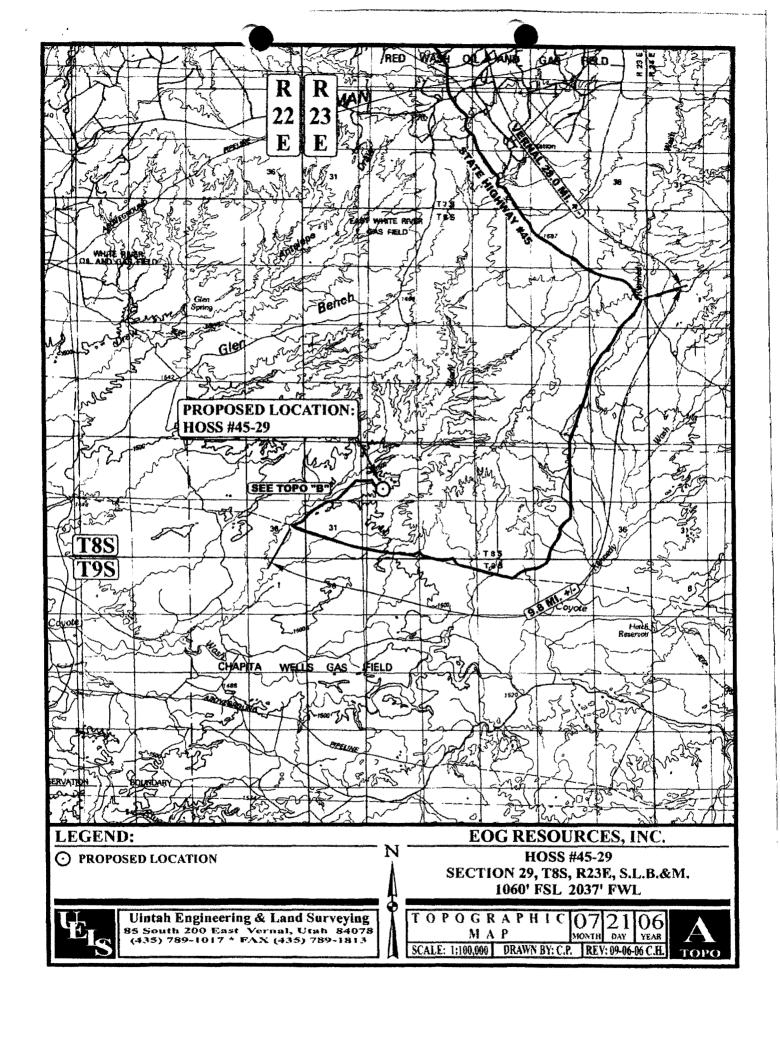


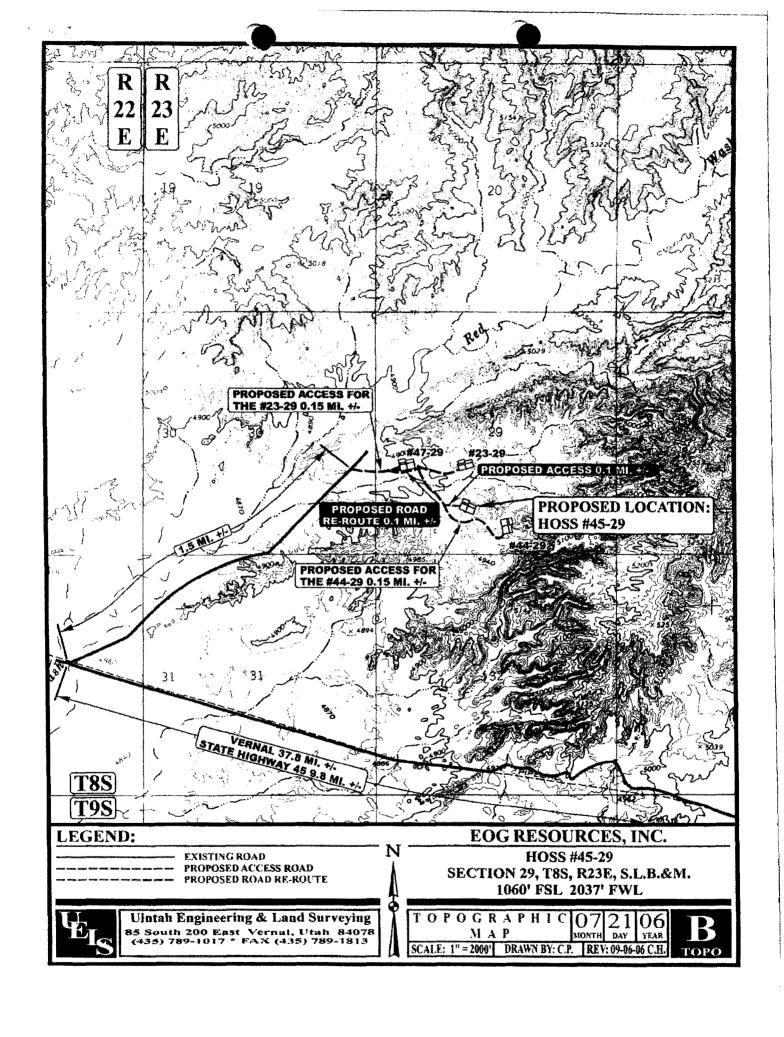


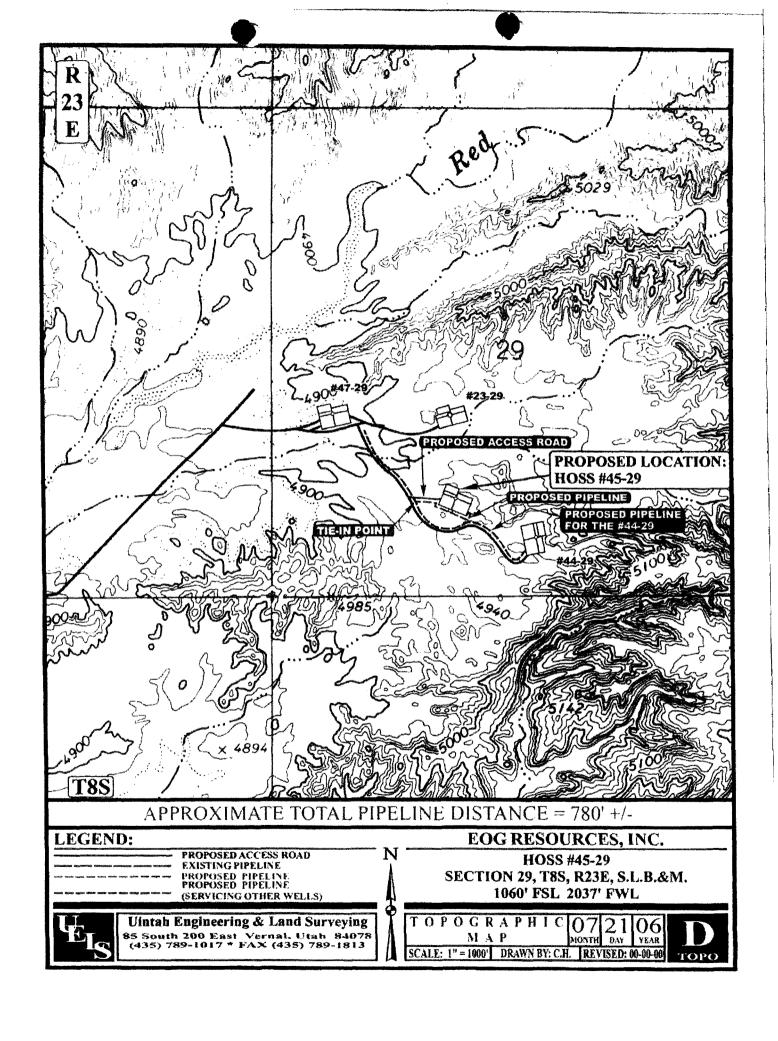
UINTAH ENGINEERING & LAND SURVEYING 85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



RE-HABED AREA







| Form 3160-3 (February 2005) UNITED STATES DEPARTMENT OF THE I BUREAU OF LAND MAN. APPLICATION FOR PERMIT TO I | NTERIOR AGEMENT DRILL OR REENTER | 200 | OMB N | APPROVED b. 1004-0137 March 31, 2007 or Tribe Name | |
|---|---|--------------------|--|---|-------------|
| la. Type of work: DRILL REENTE | | 2007 | 7 If Unit or CA Agre | eement, Name and | No. |
| lb. Type of Well: ☐ Oil Well | Single Zowet IV Multi | ole, Zorle | B. Lease Name and HOSS 45-29 | Well No. | |
| 2. Name of Operator EOG RESOURCES, INC | | | 9. API Well No. | 7. 380 | 15 |
| 3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078 | 3b. Phone No. (include area code) 435-781-9111 | | 10. Field and Pool, or NATURAL B | | |
| 4. Location of Well (Report location clearly and in accordance with any | | | 11. Sec., T. R. M. or E | Blk. and Survey or A | Area |
| At surface 1060 FSL 2037 FWL SESW 40.089 At proposed prod. zone SAME | 389 LAT 109,353108 LON | | SECTION 29, | , T8S, R23E S.L | .B.&N |
| 14. Distance in miles and direction from nearest town or post office* 39.8 MILES SOUTH OF VERNAL, UTAH | | | 12. County or Parish UINTAH | 13. Sta | ute UT |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig, unit line, if any) 660 DRILLING LINE | 16. No. of acres in lease | 17. Spacing | Unit dedicated to this | well | |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 4060 | 19. Proposed Depth 9890 | 20. BLM/B NM 23 | IA Bond No. on file | | |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4914 GL | 22. Approximate date work will sta | <u>1</u> π* | 23. Estimated duration 45 DAYS | n | |
| | 24. Attachments | | | | |
| Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System SUPO must be filed with the appropriate Forest Service Office). | 4. Bond to cover t ltem 20 above). Lands, the 5. Operator certific 6. Such other site BLM. | he operation | s form: s unless covered by an armation and/or plans as | s may be required | , |
| 25. Signature | Name (Printed Typed) KAYLENE R. GAI | RDNER | | Date 01/02/2007 | , |
| SR. REGULATORY ASSISTANT | | | | | |
| Approved by (Signature) | Name (Printed Typed) | | | Date | |
| Title Assistant Managar | Office VERNAL F | |)FFICE | 6-29-200 | <u> 27 </u> |
| Application approval does not warrant or certify that the applicant holds conduct operations thereon. Conditions of approval, if any, are attached. | | | | entitle the applican | tto |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a cr States any false, fictitious or fraudulent statements or representations as t | | villfully to ma | ake to any department of | or agency of the U | Inited |

*(Instructions on page 2)

UDOGM

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DIV. OF OIL, GAS & MINING

NOS 7/31/66

64 BM 1857A



UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE

VERNAL FIELD OFFICE VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:

EOG Resources, Inc.

Location:

SESW, Sec. , T8S, R23E

Well No:

HOSS 45-29

Lease No:

UTU- 76042

API No:

43-047-

Agreement:

N/A

| Title | Name | Office Phone Number | Cell Phone Number |
|-----------------------------------|-----------------|---------------------|-------------------|
| Petroleum Engineer: | Matt Baker | (435) 781-4490 | (435) 828-4470 |
| Petroleum Engineer: | Michael Lee | (435) 781-4432 | (435) 828-7875 |
| Petroleum Engineer: | James Ashley | (435) 781-4470 | (435) 828-7874 |
| Petroleum Engineer: | Ryan Angus | (435) 781-4430 | (435) 828-7368 |
| Supervisory Petroleum Technician: | Jamie Sparger | (435) 781-4502 | (435) 828-3913 |
| NRS/Enviro Scientist: | Paul Buhler | (435) 781-4475 | (435) 828-4029 |
| NRS/Enviro Scientist: | Karl Wright | (435) 781-4484 | |
| NRS/Enviro Scientist: | Holly Villa | (435) 781-4404 | |
| NRS/Enviro Scientist: | Melissa Hawk | (435) 781-4476 | (435) 828-7381 |
| NRS/Enviro Scientist: | Chuck MacDonald | (435) 781-4441 | (435) 828-7481 |
| NRS/Enviro Scientist: | Jannice Cutler | (435) 781-3400 | |
| NRS/Enviro Scientist: | Michael Cutler | (435) 781-3401 | |
| NRS/Enviro Scientist: | Anna Figueroa | (435) 781-3407 | |
| NRS/Enviro Scientist: | Verlyn Pindell | (435) 781-3402 | |
| NRS/Enviro Scientist: | Darren Williams | (435) 781-4447 | |
| NRS/Enviro Scientist: | Nathan Packer | (435) 781-3405 | |
| | | Fax: (435) 781-4410 | |

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

NOTIFICATION REQUIREMENTS

Location Construction
(Notify Environmental Scientist)
Location Completion
(Notify Environmental Scientist)
Spud Notice
(Notify Petroleum Engineer)
Casing String & Cementing
(Notify Supv. Petroleum Tech.)
BOP & Related Equipment Tests
(Notify Supv. Petroleum Tech.)
First Production Notice
(Notify Petroleum Engineer)

- Forty-Eight (48) hours prior to construction of location and access roads.
- Prior to moving on the drilling rig.
- Twenty-Four (24) hours prior to spudding the well.
- Twenty-Four (24) hours prior to running casing and cementing all casing strings.
- Twenty-Four (24) hours prior to initiating pressure tests.
- Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

Page 2 of 6 Well: HOSS 45-29 5/9/2007

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

Site Specific COAs:

- All the culverts and low water crossing would be installed according to the BLM Gold Book.
 Low water crossing will be installed by dipping the road down to the bed of drainage and filling with cobble rock.
- The road and well pad will have road base on the surface.
- Bury pipeline at all low water crossings.
- Construct a ditch or berm after the pit has been reclaimed. All berms and ditches will be maintained throughout the life of the well.
- During construction and drilling BLM shall be contacted if conditions are wet to determine if gravel should be used on the roads and location.

Surface COAs:

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

Page 3 of 6 Well: HOSS 45-29 5/9/2007

SITE SPECIFIC DOWNHOLE COAs:

 Electronic/mechanical mud monitoring equipment shall be required, from surface casing shoe to TD, which shall include as a minimum: pit volume totalizer (PVT); stroke counter; and flow sensor.

- A formation integrity test shall be performed after drilling twenty feet or less below the surface casing shoe.
- The top of the production casing cement shall extend a minimum of 200 feet above the surface casing shoe.
- Variance Granted:

75 foot long blooie line approved.

• Commingling:

Downhole commingling for the Wasatch-Mesaverde formations is approved. This approval can be rescinded at any time the Authorized Officer determines the commingling to be detrimental to the interest of the United States. The commingling to be detrimental to the interest of the United States.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the
 daily drilling report. Components shall be operated and tested as required by Onshore Oil &
 Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be
 performed by a test pump with a chart recorder and <u>NOT</u> by the rig pumps. Test shall be
 reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- Cement baskets shall not be run on surface casing.

Page 4 of 6 Well: HOSS 45-29 5/9/2007

The operator must report all shows of water or water-bearing sands to the BLM. If flowing water
is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM
Vernal Field Office.

- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a
 weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is
 completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

Page 5 of 6 Well: HOSS 45-29 5/9/2007

OPERATING REQUIREMENT REMINDERS:

 All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.

- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be
 notified when it is placed in a producing status. Such notification will be by written
 communication and must be received in this office by not later than the fifth business day
 following the date on which the well is placed on production. The notification shall provide, as a
 minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or

Page 6 of 6 Well: HOSS 45-29 5/9/2007

data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field
 Office Petroleum Engineers will be provided with a date and time for the initial meter calibration
 and all future meter proving schedules. A copy of the meter calibration reports shall be
 submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API
 standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All
 measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted
 to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs
 first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be
 adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively
 sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering
 lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of
 a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval
 may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover
 equipment shall be removed from a well to be placed in a suspended status without prior
 approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30
 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given
 before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.



EOG Resources, Inc.

600 Seventeenth Street Suite 1000N Denver, CO 80202 Main: 303-572-9000 Fax: 303-824-5400

July 23, 2007

Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801

Attention: Ms. Diana Whitney

RE:

Request for Exception Location

Hoss 45-29 Well Uintah County, Utah

Ladies and Gentlemen:

EOG Resources, Inc. ("EOGR") applied with the Utah Division of Oil, Gas and Mining for a Drilling Permit for the captioned well. The well is scheduled to drill at the following location in the captioned area to a proposed subsurface depth of 9,890 feet to test the Mesa Verde Formation:

Township 8 South, Range 23 East, SLB&M Section 29: SE 1/4 SW 1/4 1060' FSL & 2037' FWL

EOG moved this location from a legal location at the request of the Bureau of Land Management due to an archeological site. We therefore respectfully request that the State grant an exception to State rule R649-3-2 in accordance with rule R649-3-3.

Please be advised that Federal Lease UTU-76042 covers the SE/4 of Section 29, Township 8 South, Range 23 East, and other lands. This lease is owned as shown on the attached Exhibit "B." By copy of this letter to EnCana Oil & Gas (USA), Inc., EOGR is requesting that said party provide their written consent to the exception location by dating, signing, and forwarding the duplicate original hereof to the Utah Division of Oil, Gas and Mining at the above address, and provide a copy to the undersigned at the letterhead address. There are no other owners within a 460' radius of the proposed well location.

EOGR respectfully requests that the Utah Division of Oil, Gas and Mining grant administrative approval of this application for an exception location described herein at its earliest opportunity.

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DIV. OF OIL, GAS & MINING

Utah Division of Oil, Gas and Mining Request for Exception Location Hoss 45-29 July 23, 2007 Page 2 of 2

Thank you for your consideration of our request. Should you have any questions regarding this matter, please feel free to give me a call at (303) 824-5436.

Sincerely,

EOG RESOURCES, INC.

Tessa Dean Land Associate

In/TD

CC:

EnCana Oil & Gas (USA) Inc. 370 17th Street, Suite 1700

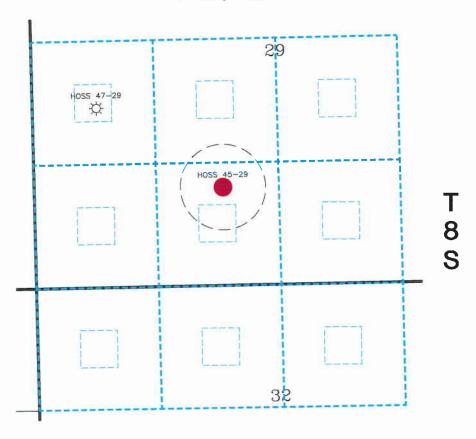
Denver, CO 80202

Attn: Mr. Barrett Brannon

Sheila Singer - Denver Kaylene Gardner - Vernal

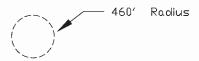
Accepted and agreed to this 10th day of August
ENCANA OIL & GAS (USA) INC.

R 23 E



Oil or Gas Well Location Pattern pursuant to Utah Administrative Code Rule R 649-3-2

Legal window within which an oil and gas well could be drilled in compliance with R 649-3-2.



Locations at which oil or gas wells have been drilled

Location at which applicant requests permission to drill the proposed Hoss 45—29 Well:
1060' FSL, 2037' FWL (SESW) of Sec. 29, T8S, R23E

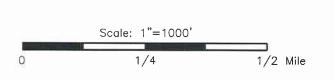


Exhibit "A"



Denver Division

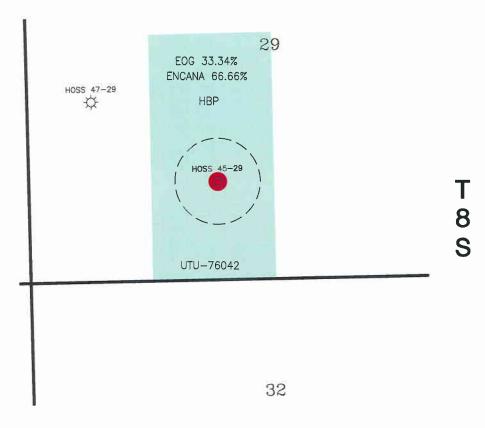
Application for Exception Well Location

HOSS 45-29 Well

UINTAH COUNTY, UTAH

Scale: | D'utatriexception_plats| | Author | Jul 11, 2007 - | 1"=1000' | exc.A.40 | Author | gt | 9:34sm

R 23 E



Working Interest

ENCANA 66.66% EOG 33.34%

Location at which applicant requests permission to drill the proposed Hoss 45—29 Well: 1060' FSL, 2037' FWL (SESW) of Sec. 29, T8S, R23E

Exhibit "B"



Application for Exception Well Location

Jul 11, 2007 -9:33am

HOSS 45-29 Well

UINTAH COUNTY, UTAH

Scale:=1000' Author

Scale: 1"=1000' 0 1/4

1/2 Mile



State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA Division Director

August 15, 2007

EOG Resources, Inc. 1060 East Highway 40 Vernal, UT 84078

Re: Hoss 45-29 Well, 1060' FSL, 2037' FWL, SE SW, Sec. 29, T. 8 South, R. 23 East,

Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

Administrative approval for commingling the production from the Wasatch formation and the Mesaverde formation in this well is hereby granted. Appropriate information has been submitted to DOGM in accordance with R649-3-22. No written objections from owners were received by DOGM.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38959.

Sincerely,

Gil Hunt

Associate Director

pab Enclosures

cc: Uintah County Assessor

Bureau of Land Management, Vernal Office



| Operator: | EOG Resources, Inc. | |
|--------------------|---------------------------|-------------------|
| Well Name & Number | Hoss 45-29 | |
| API Number: | 43-047-38959 UTU 76042 | |
| Location: SE SW | Sec. 29 T. 8 South | R. 23 East |

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division with 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

| Name of Cor | npany: | EOG RES | <u>OURCE</u> | S INC | | |
|-----------------|-------------------|---------------|--------------|-------------|--------------|---------|
| Well Name: | | HOSS 45- | 29 | | | |
| Api No <u>:</u> | 43-047-38 | 959 | Leas | е Туре:_ | FEDER | AL |
| Section 29 | Township | 08S Range | 23E | Count | y <u>UIN</u> | ГАН |
| Drilling Cor | ntractor <u>C</u> | RAIG'S ROUSTA | ABOUT | <u>SERV</u> | _RIG #_ | RATHOLE |
| SPUDDE | D: | | | | | |
| | Date | 11/08/07 | | | | |
| | Time | 10:30 AM | | | | |
| | How | DRY | | | | |
| Drilling wi | ill Commno | ce: | | | | |
| Reported by | | JERRY BAI | RNES | · | | |
| Telephone # | | (435) 828-1 | 720 | | | |
| Date | 11/08/07 | Signe | dC | CHD | | |

STATE OF UTAH **DEPARTMENT OF NATURAL RESOURCES** DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM

Operator:

EOG RESOURCES, INC.

Operator Account Number: N 9550

Address:

1060 East Highway 40

city Vernal

zip 84078 state UT

Phone Number: (435) 781-9111

Well 1

| API Number | Well | Well Name | | | Twp | Rng | County |
|--------------|---|--------------------------------|-----------|--------|-----|--------|---------------------------------|
| 43-047-38581 | CHAPITA WELLS U | CHAPITA WELLS UNIT 1255-7 SENE | 7 | 98 | 23E | UINTAH | |
| Action Code | Current Entity New Entity Number Number | | S | pud Da | te | | ity Assignment ffective Date |
| A | 99999 | 16492 | 11/9/2007 | | 111 | 26/07 | |
| omments: | | | | | | | |

PRRV=MVRD

Well 2

| API Number | Well | QQ | Sec | Twp | Rng | County | | | | |
|--------------|--------------------------|----------------------|-------------------------|-------|---------|-------------------------------------|----|-----|--------|--|
| 43-047-38328 | HOSS 67-29 | | 8328 HOSS 67-29 NESW | | NESW | 29 | 88 | 23E | UINTAH | |
| Action Code | Current Entity Number | New Entity Number | Spud Date 11/10/2007 | | te | Entity Assignment Effective Date | | | | |
| Α | 99999 | 14493 | | | 11 | 126/07 | | | | |
| Comments: | | | | NICIO | TAITIAI | | | | | |

PRRV=mVRD

CONFIDENTIAL

Well 3

| API Number | Well | QQ | Sec | Twp | Rng | County | | |
|--------------|--------------------------|-------|-----------|-----------|-----|-------------------------------------|---------------|--|
| 43-047-38959 | HOSS 45-29 | SESW | 29 | 88 | 23E | UINTAH | | |
| Action Code | Current Entity Number | • | | Spud Date | | Entity Assignment Effective Date | | |
| A | 99999 | 16494 | 11/8/2007 | | | 11 | 126/07 | |
| Comments: | | | <u> </u> | | | | // | |

IPRRU= MVRO

ACTION CODES:

- A Establish new entity for new well (single well only)
- B Add new well to existing entity (group or unit well)
- Re-assign well from one existing entity to another existing entity
- Re-assign well from one existing entity to a new entity
- Other (Explain in 'comments' section)

Kaylene R. Gardner

Lead Regulatory Assistant

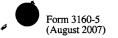
11/12/2007

Title

Date

(5/2000)

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UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

| FORM APPRO | VED |
|------------------|-------|
| OMB NO. 1004 | -013 |
| Expires: July 31 | , 201 |

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an
abandoned well. Use form 3160-3 (APD) for such proposals

5. Lease Serial No. UTU76042

| abandoned we | 6. If Indian, Allottee or | Tribe Name | | | | | |
|---|---|--|-------------------|--|--|--|--|
| SUBMIT IN TRI | 7. If Unit or CA/Agree | ment, Name and/or No. | | | | | |
| 1. Type of Well | 8. Well Name and No. | | | | | | |
| Oil Well Gas Well Oth | | | | HOSS 45-29 | | | |
| Name of Operator EOG RESOURCES, INC | Contact: MARY A E-Mail: mary_maestas@eog | A. MAESTAS resources.com | | 9. API Well No. 43-047-38959 | | | |
| 3a. Address 600 17TH STREET SUITE 10 DENVER, CO 80202 | 3b. Phor Ph: 30 | ne No. (include area code 3-824-5526 |) | 10. Field and Pool, or I NATURAL BUTT | Exploratory FES/WASATCH/MV | | |
| 4. Location of Well (Footage, Sec., T | C., R., M., or Survey Description) | | | 11. County or Parish, a | nd State | | |
| Sec 29 T8S R23E SESW 106 40.08939 N Lat, 109.35311 W | | | | UINTAH COUNT | TY, UT | | |
| 12. CHECK APPI | ROPRIATE BOX(ES) TO INDICA | ATE NATURE OF | NOTICE, RE | EPORT, OR OTHER | DATA | | |
| TYPE OF SUBMISSION | | TYPE O | F ACTION | | | | |
| ☐ Notice of Intent | ☐ Acidize ☐ | Deepen | □ Producti | on (Start/Resume) | ☐ Water Shut-Off | | |
| _ | ☐ Alter Casing ☐ | Fracture Treat | ☐ Reclama | ation | ■ Well Integrity | | |
| Subsequent Report | ☐ Casing Repair ☐ | New Construction | □ Recomp | lete | Other | | |
| ☐ Final Abandonment Notice | ☐ Change Plans ☐ | Plug and Abandon | □ Tempora | arily Abandon | Production Start-up | | |
| | ☐ Convert to Injection ☐ | Plug Back | ■ Water D | isposal | | | |
| determined that the site is ready for for the referenced well was turned report for drilling and completing | ed to sales on 3/28/2008. Please so on operations performed on the su | ee the attached oper | | REC APR | CEIVED 0 3 2008 IL, GAS & MINING | | |
| 14. I hereby certify that the foregoing is | Electronic Submission #59351 ver | rified by the BLM Wel CES, INC, sent to the | | System | | | |
| Name(Printed/Typed) MARY A. | ATORY ASS | SISTANT | | | | | |
| Signature Matelectronic Submissional Date 04/01/2008 | | | | | | | |
| | THIS SPACE FOR FEDI | ERAL OR STATE | OFFICE US | SE | | | |
| Approved By | | Title | | | Date | | |
| Conditions of approval, if any, are attache | d. Approval of this notice does not warran uitable title to those rights in the subject lea act operations thereon. | t or | | | 1 | | |
| Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent | U.S.C. Section 1212, make it a crime for a statements or representations as to any mat | ny person knowingly and ter within its jurisdiction | l willfully to ma | ke to any department or a | agency of the United | | |

WELL CHRONOLOGY REPORT

Report Generated On: 04-01-2008

| HOSS 045-29 | Well Type | DEVG | Division | DENVER |
|------------------------|--|--|--|--|
| PONDEROSA | API# | 43-047-38959 | Well Class | COMP |
| UINTAH, UT | Spud Date | 12-09-2007 | Class Date | |
| N | TVD / MD | 9,890/ 9,890 | Property # | 059941 |
| 0 | Last CSG | 0.0 | Shoe TVD / MD | 0/ 0 |
| 4,931/4,915 | | | | |
| Section 29, T8S, R23E, | SESW, 1060 FSL & 203 | 7 FWL | | |
| | PONDEROSA UINTAH, UT N 0 4,931/4,915 | PONDEROSA API # UINTAH, UT Spud Date N TVD / MD 0 Last CSG 4,931/4,915 | PONDEROSA API # 43-047-38959 UINTAH, UT Spud Date 12-09-2007 N TVD / MD 9,890/ 9,890 0 Last CSG 0.0 | PONDEROSA API # 43-047-38959 Well Class UINTAH, UT Spud Date 12-09-2007 Class Date N TVD / MD 9,890/ 9,890 Property # 0 Last CSG 0.0 Shoe TVD / MD 4,931/4,915 |

DRILL & COMPLETE

| Operator | EO | G RESOURC | ES, INC | WI % | 66. | 66 | | NRI % | | 44.66 | |
|----------------|---------|------------|-----------------|--------------|---------|------------|-----|---------------|-----------|-----------------|-----------------|
| AFE No | | 304304 | | AFE Total | | 2,265,200 | - | DHC/ | CWC | 1,078 | ,900/ 1,186,300 |
| Rig Contr | TRU | Œ | Rig Name | e TRUE #3 | 31 | Start Date | 10- | -18-2007 | Release 1 | Date | 12-17-2007 |
| 10-18-2007 | R | eported By | SI | HARON CAUDIL | L | | | | | | |
| DailyCosts: Da | rilling | \$0 | | Comp | pletion | \$0 | | Dail | y Total | \$0 | |
| Cum Costs: D | rilling | \$0 | | Comp | pletion | \$0 | | Wel | l Total | \$0 | |
| MD | 0 | TVD | 0 | Progress | 0 | Days | 0 | \mathbf{MW} | 0.0 | Visc | 0.0 |
| Formation: | | | PBTD : 0 | 0.0 | | Perf: | | | PKR De | pth: 0.0 |) |

Activity at Report Time: LOCATION DATA

1.0

Event No

Start End Hrs Activity Description
06:00 06:00 24.0 LOCATION DATA

1060' FSL & 2037' FWL (SE/SW) SECTION 29, T8S, R23E UINTAH COUNTY, UTAH

LAT 40.089389, LONG 109.353108 (NAD 83) LAT 40.089425, LONG 109.352428 (NAD 27)

Description

TRUE #31

OBJECTIVE: 9890' TD, MESAVERDE

DW/GAS

PONDEROSA PROSPECT DD&A: CHAPITA DEEP FIELD: NATURAL BUTTES

LEASE: UTU-76042

ELEVATION: 4913.9' NAT GL, 4914.7' PREP GL (DUE TO ROUNDING THE PREP GL IS 4915'), 4931' KB (16')

EOG WI 66.66%, NRI 44.66%

10-19-2007 Reported By

TERRY CSERE

| DailyCosts: Drilling | \$38,000 | Completion | \$0 \$0 | | Daily Total | | \$38,000 | |
|---|---|--|----------------------------------|---|-----------------------------|---------------------------|---|-----|
| Cum Costs: Drilling | \$38,000 | Completion | \$0 | _ | Well To | | \$38,000 | |
| MID 0 | TVD 0 | Progress 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD: | | Perf: | | | PKR De | pth: 0.0 | |
| Activity at Report Ti | | | | | | | | |
| Start End | Hrs Activity De | - | | | | | | |
| 06:00 06:00 | 24.0 LOCATION | | | | | | | |
| | - - - | TERRY CSERE | ** | | | _ | | |
| DailyCosts: Drilling | \$38,000 | Completion | \$0 | | | | \$38,000 | |
| Cum Costs: Drilling | \$38,000 | Completion | \$0 | | | | \$38,000 | |
| MID 0 | TVD 0 | Progress 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation: | PBTD: | | Perf: | | | PKR De | pth: 0.0 | |
| Activity at Report Ti | | | | | | | | |
| Start End 06:00 06:00 | Hrs Activity De | scription IS 10% COMPLETE. | | | | | | |
| | | TERRY CSERE | | | | | | |
| DailyCosts: Drilling | \$0 | Completion | \$ 0 | | Daily T | otol | \$0 | |
| Cum Costs: Drilling | \$38,000 | Completion | \$O | | Well To | | \$38,000 | |
| MD 0 | | _ | | ^ | | | | 0.0 |
| Formation : | TVD 0 PBTD : | Progress 0 | Days Perf : | 0 | MW | 0.0 | Visc | 0.0 |
| rormation : Activity at Report Ti | | | ren: | | | PKR De | Jun : 0.0 | |
| Start End | Hrs Activity De | | | | | | | |
| 06:00 06:00 | - | IS 20% COMPLETE. | | | | | | |
| | | TERRY CSERE | | | | | | |
| | | | | | | Daily Total \$0 | | |
| | -Fomotan — J | Completion | \$0 | | Daily T | otal | \$0 | |
| DailyCosts: Drilling | -Fomotan — J | Completion Completion | \$0 \$0 | | Daily To Well To | | \$0 \$38,000 | |
| DailyCosts: Drilling Cum Costs: Drilling | \$0 \$38,000 | Completion | \$0 | 0 | Well To | | \$38,000 | 0.0 |
| DailyCosts: Drilling Cum Costs: Drilling MD 0 | \$0 \$38,000 TVD 0 | Completion Progress 0 | | 0 | Well To | tal 0.0 | \$38,000 Visc | 0.0 |
| DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: | \$0 \$38,000 TVD 0 PBTD : | Completion Progress 0 0.0 | \$0 Days | 0 | Well To | tal | \$38,000 Visc | 0.0 |
| DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Ti | \$0 \$38,000 TVD 0 PBTD : me: BUILD LOCATIO | Completion Progress 0 0.00 | \$0 Days | 0 | Well To | tal 0.0 | \$38,000 Visc | 0.0 |
| DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Ti | \$0 \$38,000 TVD 0 PBTD: me: BUILD LOCATIO: Hrs Activity De | Completion Progress 0 0.00 | \$0 Days | 0 | Well To | tal 0.0 | \$38,000 Visc | 0.0 |
| DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Ti Start End 06:00 06:00 | \$0 \$38,000 TVD 0 PBTD: me: BUILD LOCATION Hrs Activity De 24.0 LOCATION I | Completion Progress 0 0.0 N scription | \$0 Days | 0 | Well To | tal 0.0 | \$38,000 Visc | 0.0 |
| DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Ti Start End 06:00 06:00 | \$0 \$38,000 TVD 0 PBTD: me: BUILD LOCATION Hrs Activity De 24.0 LOCATION I | Completion Progress 0 0.0 N scription IS 25% COMPLETE. | \$0 Days | 0 | Well To | 0.0 PKR De | \$38,000 Visc | 0.0 |
| DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Ti Start End 06:00 06:00 10-25-2007 Re DailyCosts: Drilling | \$0 \$38,000 TVD 0 PBTD: me: BUILD LOCATION Hrs Activity De 24.0 LOCATION I | Completion Progress 0 0.0 N scription IS 25% COMPLETE. TERRY CSERE | \$0 Days Perf: | 0 | Well To | 0.0 PKR De | \$38,000 Visc pth: 0.0 | 0.0 |
| DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tir Start End 06:00 06:00 10-25-2007 Re | \$0 \$38,000 TVD 0 PBTD: me: BUILD LOCATION Hrs Activity De 24.0 LOCATION Deported By \$0 | Completion Progress 0 1 0.0 N Scription IS 25% COMPLETE. TERRY CSERE Completion | \$0 Days Perf: | 0 | Well To MW Daily T | 0.0 PKR De | \$38,000 Visc pth: 0.0 | 0.0 |
| DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tir Start End 06:00 06:00 10-25-2007 Re DailyCosts: Drilling Cum Costs: Drilling | \$0 \$38,000 TVD 0 PBTD: me: BUILD LOCATION I 4.0 LOCATION I Pported By \$0 \$38,000 | Completion Progress 0 1 0.0 N Scription IS 25% COMPLETE. TERRY CSERE Completion Completion Progress 0 | \$0 Days Perf: \$0 \$0 \$0 | | Well To MW Daily T Well To | o.0 PKR Deport | \$38,000 Visc pth: 0.0 \$0 \$38,000 Visc | |
| DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tir Start End 06:00 06:00 10-25-2007 Re DailyCosts: Drilling Cum Costs: Drilling | \$0 \$38,000 TVD 0 PBTD: me: BUILD LOCATION Hrs Activity December 24.0 LOCATION 10 eported By \$0 \$38,000 TVD 0 PBTD: | Completion Progress 0 1 0.0 N Scription IS 25% COMPLETE. TERRY CSERE Completion Completion Progress 0 1 0.0 | \$0 Days Perf: \$0 \$0 Days | | Well To MW Daily T Well To | otal 0.0 Otal 0.0 0.0 | \$38,000 Visc pth: 0.0 \$0 \$38,000 Visc | |
| DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tir Start End 06:00 06:00 10-25-2007 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tir | \$0 \$38,000 TVD 0 PBTD: me: BUILD LOCATION Hrs Activity December 24.0 LOCATION 10 eported By \$0 \$38,000 TVD 0 PBTD: | Completion Progress 0 1 0.0 N SCRIPTION IS 25% COMPLETE. TERRY CSERE Completion Completion Progress 0 1 0.0 N | \$0 Days Perf: \$0 \$0 Days | | Well To MW Daily T Well To | otal 0.0 Otal 0.0 0.0 | \$38,000 Visc pth: 0.0 \$0 \$38,000 Visc | |
| DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tir Start End 06:00 06:00 10-25-2007 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tir | \$0 \$38,000 TVD 0 PBTD: me: BUILD LOCATION Hrs Activity De 24.0 LOCATION De ported By \$0 \$38,000 TVD 0 PBTD: me: BUILD LOCATION Hrs Activity De | Completion Progress 0 1 0.0 N SCRIPTION IS 25% COMPLETE. TERRY CSERE Completion Completion Progress 0 1 0.0 N | \$0 Days Perf: \$0 \$0 Days | | Well To MW Daily T Well To | otal 0.0 Otal 0.0 0.0 | \$38,000 Visc pth: 0.0 \$0 \$38,000 Visc | |

| DailyCosts: Drilling | \$0 | Completion | \$0 | | Daily To | tal | \$0 | |
|------------------------------|-------------------|--------------------------|-------|---|----------|---------------------|-----------------|-----|
| Cum Costs: Drilling | \$38,000 | Completion | \$0 | | Well Tot | al | \$38,000 | |
| MD 0 | TVD 0 | Progress 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD | : 0.0 | Perf: | | 3 | PKR Dej | oth: 0.0 | |
| Activity at Report Tir | me: BUILD LOCATIO | ON | | | | | | |
| Start End | Hrs Activity D | escription | | | | | | |
| 06:00 06:00 | 24.0 ROCKED O | OUT. DRILLING HOLES IN F | ROCK. | | | | | |
| 10-29-2007 Re | ported By | TERRY CSERE | | | | | | |
| DailyCosts: Drilling | \$0 | Completion | \$0 | | Daily To | tal | \$0 | |
| Cum Costs: Drilling | \$38,000 | Completion | \$0 | | Well Tot | al | \$38,000 | |
| MD 0 | TVD 0 | Progress 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD | : 0.0 | Perf: | | 3 | PKR De _l | pth: 0.0 | |
| Activity at Report Ti | me: BUILD LOCATIO | D.N | | | | | | |
| Start End | Hrs Activity D | escription | | | | | | |
| 06:00 06:00 | 24.0 SHOOTING | TODAY. | | | | | | |
| 10-30-2007 Re | eported By | TERRY CSERE | | | | | | |
| DailyCosts: Drilling | \$0 | Completion | \$0 | | Daily To | tal | \$0 | |
| Cum Costs: Drilling | \$38,000 | Completion | \$0 | | Well Tot | al | \$38,000 | |
| MD 0 | TVD 0 | Progress 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD | : 0.0 | Perf: | |] | PKR Dej | pth: 0.0 | |
| Activity at Report Ti | me: BUILD LOCATIO | ON | | | | | | |
| Start End | Hrs Activity D | escription | | | | | | |
| 06:00 06:00 | 24.0 PUSHING | OUT PIT AND LOCATION. | | | | | | |
| 10-31-2007 Re | ported By | TERRY CSERE | | | | | | |
| DailyCosts: Drilling | \$0 | Completion | \$0 | | Daily To | tal | \$0 | |
| Cum Costs: Drilling | \$38,000 | Completion | \$0 | | Well Tot | tal | \$38,000 | |
| MD 0 | TVD 0 | Progress 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation: | PBTD | : 0.0 | Perf: | |) | PKR De _l | pth: 0.0 | |
| Activity at Report Ti | me: BUILD LOCATIO | ON | | | | | | |
| Start End | Hrs Activity D | escription | | | | | | |
| 06:00 06:00 | • | OUT PIT AND LOCATION. | | | | | | |
| 11-01-2007 Re | eported By | TERRY CSERE | | | | | | |
| DailyCosts: Drilling | \$0 | Completion | \$0 | | Daily To | tal | \$0 | |
| Cum Costs: Drilling | \$38,000 | Completion | \$0 | | Well To | | \$38,000 | |
| MD 0 | TVD 0 | Progress 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD | . . | Perf: | | | PKR De | | |
| Activity at Report Ti | | | | | | •1 | . | |
| | Hrs Activity D | | | | | | | |
| Start End | | | | | | | | |
| Start End 06:00 06:00 | 24.0 PUSHING | - | | | | | | |

| DailyCosts: Drilling | \$0 | | Completion | \$0 | | Daily | y Total | \$0 | |
|---|--|---|---|--|---|-----------------------------|---|--|-----|
| Cum Costs: Drilling | \$38,000 | | Completion | \$0 | | Well | Total | \$38,000 | |
| MD 0 | TVD | 0 Progre | ss 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation: | PB' | TD: 0.0 | | Perf: | | | PKR De | pth: 0.0 | |
| Activity at Report Tir | me: BUILD LOCA | ATION | | | | | | | |
| Start End | Hrs Activity | y Description | | | | | | | |
| 06:00 06:00 | 24.0 PUSHIN | NG OUT PIT. | | | | | | | |
| 11-05-2007 Re | eported By | TERRY CSE | ERE | | | | | | |
| DailyCosts: Drilling | \$0 | | Completion | \$0 | | Daily | y Total | \$0 | |
| Cum Costs: Drilling | \$38,000 | | Completion | \$0 | | Well | Total | \$38,000 | |
| MD 0 | TVD | 0 Progres | ss 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation: | PB' | TD: 0.0 | | Perf: | | | PKR De | pth: 0.0 | |
| Activity at Report Tir | me: BUILD LOCA | ATION | | | | | | | |
| Start End | Hrs Activity | y Description | | | | | | | |
| 06:00 06:00 | 24.0 PUSHIN | NG OUT PIT. | _ | | | | | | |
| 11-06-2007 Re | eported By | TERRY CSE | ERE | | | | | | |
| DailyCosts: Drilling | \$0 | | Completion | \$0 | | Daily | y Total | \$0 | |
| Cum Costs: Drilling | \$38,000 | | Completion | \$0 | | Well | Total | \$38,000 | |
| MD 0 | TVD | 0 Progres | ss 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | pp, | 000 o o | | TD 0 | | | DED De | | |
| roimadon: | rb | TD: 0.0 | | Perf: | | | PKK De | eth: 0.0 | |
| Activity at Report Tir | | | | Perf: | | | PKK De | pth: 0.0 | |
| | me: BUILD LOCA | | | Perf: | | | PKK De | eth: 0.0 | |
| Activity at Report Tir | me: BUILD LOCA | ATION y Description | | Peri: | | | PKK Dej | oth: 0.0 | |
| Activity at Report Tin Start End 06:00 06:00 | me: BUILD LOCA | ATION y Description | ERE | Peri : | | ·- | PKK De | oth : 0.0 | |
| Activity at Report Tir Start End 06:00 06:00 11-07-2007 Re | me: BUILD LOCA Hrs Activity 24.0 PUSHIN | ATION y Description NG OUT PIT. TERRY CSE | ERE Completion | Peri : \$0 | | Daily | y Total | \$0.0 | |
| Activity at Report Tir Start End 06:00 06:00 11–07–2007 Re DailyCosts: Drilling | Hrs Activity 24.0 PUSHIN | ATION y Description NG OUT PIT. TERRY CSE | | | | _ | | | |
| Activity at Report Tir Start End 06:00 06:00 11–07–2007 Re Daily Costs: Drilling Cum Costs: Drilling | Hrs Activity 24.0 PUSHIN eported By \$0 | ATION y Description NG OUT PIT. TERRY CSE | Completion Completion | \$0 | 0 | _ | y Total | \$0 | 0.0 |
| Activity at Report Tir Start End 06:00 06:00 11–07–2007 Re Daily Costs: Drilling Cum Costs: Drilling | Hrs Activity 24.0 PUSHIN eported By \$0 \$38,000 | ATION y Description NG OUT PIT. TERRY CSE | Completion Completion | \$0 \$0 | 0 | Well | y Total Total | \$0 \$38,000 Visc | 0.0 |
| Activity at Report Tir Start End 06:00 06:00 11–07–2007 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: | Hrs Activity 24.0 PUSHIN Pported By \$0 \$38,000 TVD | y Description NG OUT PIT. TERRY CSE Progres TD: 0.0 | Completion Completion | \$0 \$0 Days | 0 | Well | y Total Total 0.0 | \$0 \$38,000 Visc | 0.0 |
| Activity at Report Tir Start End 06:00 06:00 11-07-2007 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tir | Hrs Activity 24.0 PUSHIN eported By \$0 \$38,000 TVD PB' me: BUILD LOCA | y Description NG OUT PIT. TERRY CSE Progres TD: 0.0 | Completion Completion | \$0 \$0 Days | 0 | Well | y Total Total 0.0 | \$0 \$38,000 Visc | 0.0 |
| Activity at Report Tir Start End 06:00 06:00 11–07–2007 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tir | Hrs Activity 24.0 PUSHIN eported By \$0 \$38,000 TVD PB' me: BUILD LOCA | y Description NG OUT PIT. TERRY CSE 0 Progres TD: 0.0 ATION y Description | Completion Completion | \$0 \$0 Days | 0 | Well | y Total Total 0.0 | \$0 \$38,000 Visc | 0.0 |
| Activity at Report Tir Start End 06:00 06:00 11–07–2007 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tir Start End 06:00 06:00 | Hrs Activity 24.0 PUSHIN PORTED PB' TVD PB' me: BUILD LOCA Hrs Activity | y Description NG OUT PIT. TERRY CSE 0 Progres TD: 0.0 ATION y Description | Completion Completion ss 0 | \$0 \$0 Days | 0 | Well | y Total Total 0.0 | \$0 \$38,000 Visc | 0.0 |
| Activity at Report Tir Start End 06:00 06:00 11–07–2007 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tir Start End 06:00 06:00 11–08–2007 Re | Hrs Activity 24.0 PUSHIN 24.0 PUSHIN 24.0 PUSHIN Ported By \$0 \$38,000 TVD PB' me: BUILD LOCA Hrs Activity 24.0 PUSHIN | Y Description NG OUT PIT. TERRY CSE O Progres TD: 0.0 ATION Y Description NG OUT PIT. | Completion Completion ss 0 | \$0 \$0 Days | 0 | Well MW | y Total Total 0.0 | \$0 \$38,000 Visc | 0.0 |
| Activity at Report Tir Start End 06:00 06:00 11–07–2007 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tir Start End 06:00 06:00 11–08–2007 Re | Hrs Activity 24.0 PUSHIN | Y Description NG OUT PIT. TERRY CSE O Progres TD: 0.0 ATION Y Description NG OUT PIT. | Completion Completion ss 0 | \$0 \$0 Days Perf : | 0 | Well MW Daily | y Total Total 0.0 PKR De | \$0 \$38,000 Visc pth: 0.0 | 0.0 |
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| Activity at Report Tir Start End 06:00 06:00 11-07-2007 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tir Start End 06:00 06:00 11-08-2007 Re DailyCosts: Drilling Cum Costs: Drilling | Hrs Activity 24.0 PUSHIN eported By \$0 \$38,000 TVD PB' me: BUILD LOCA Hrs Activity 24.0 PUSHIN eported By \$0 \$38,000 TVD PB' PB' PB' PB' PB' PB' PB' PB' PB' PB | Y Description NG OUT PIT. TERRY CSE O Progres TTD: 0.0 ATION NG OUT PIT. TERRY CSE O Progres TERRY CSE | Completion Completion SS 0 CRE Completion Completion | \$0 \$0 Days Perf: | | Well MW Daily Well | y Total O.0 PKR De y Total Total 0.0 | \$0 \$38,000 Visc pth : 0.0 | |
| Activity at Report Tir Start End 06:00 06:00 11-07-2007 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tir Start End 06:00 06:00 11-08-2007 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: | Hrs Activity 24.0 PUSHIN Ported By \$0 \$38,000 TVD PB' me: BUILD LOCA Hrs Activity 24.0 PUSHIN Ported By \$0 \$38,000 TVD PB' me: BUILD LOCA PUSHIN Ported By \$0 \$38,000 TVD PB' me: BUILD LOCA | Y Description NG OUT PIT. TERRY CSE O Progres TTD: 0.0 ATION NG OUT PIT. TERRY CSE O Progres TERRY CSE | Completion Completion SS 0 CRE Completion Completion | \$0 \$0 Days Perf: | | Well MW Daily Well | y Total O.0 PKR De y Total Total 0.0 | \$0 \$38,000 Visc pth : 0.0 | |
| Activity at Report Tir Start End 06:00 06:00 11-07-2007 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tir Start End 06:00 06:00 11-08-2007 Re DailyCosts: Drilling Cum Costs: Drilling Cum Costs: Drilling Formation: Activity at Report Tir Activity at Report Tir | Hrs Activity 24.0 PUSHIN Ported By \$0 \$38,000 TVD PB' me: BUILD LOCA Hrs Activity 24.0 PUSHIN Ported By \$0 \$38,000 TVD PB' me: BUILD LOCA PUSHIN Ported By \$0 \$38,000 TVD PB' me: BUILD LOCA | y Description NG OUT PIT. TERRY CSE O Progres TD: 0.0 ATION Y Description NG OUT PIT. TERRY CSE O Progres TD: 0.0 ATION Y Description Y Description Y Description Y Description Y Description | Completion Completion SS 0 CRE Completion Completion | \$0 \$0 Days Perf: | | Well MW Daily Well | y Total O.0 PKR De y Total Total 0.0 | \$0 \$38,000 Visc pth : 0.0 | |

| DailyCosts: D | rilling | \$0 | | Com | pletion | \$0 | | Daily | Total | \$0 | |
|---------------|----------|--------|-----------------|----------|---------|-------|---|--------|--------------|----------|-----|
| Cum Costs: I | Prilling | \$38,0 | 00 | Com | pletion | \$0 | | Well 7 | Cotal | \$38,000 | |
| MD | 60 | TVD | 60 | Progress | 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation: | | | PBTD : 0 | 0.0 | | Perf: | | | PKR Dep | oth: 0.0 | |

Activity at Report Time: BUILD LOCATION/WO AIR RIG

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | LINE TODAY.CRAIGS ROUSTABOUT SERVICE SPUD A 20" HOLE ON 11/8/2007 @ 10:30 AM SET 60' OF 14" |
| | | | CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS |

W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 11/8/2007 @ 9:30 AM.

| 12-05-2007 | Re | eported By | JE | RRY BARNES | | | | | | | |
|---------------|----------|------------|-----------------|------------|---------|-------|---|-------|--------|-----------------|-----|
| DailyCosts: I | Orilling | \$210 | ,470 | Con | pletion | \$0 | | Daily | Total | \$210,470 | |
| Cum Costs: 1 | Drilling | \$248 | ,470 | Con | pletion | \$0 | | Well | Total | \$248,470 | |
| MD | 2,653 | TVD | 2,653 | Progress | 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation: | | | PBTD : 0 | .0 | | Perf: | | | PKR De | pth: 0.0 | |

Activity at Report Time: WORT

Start End Hrs Activity Description

06:00 06:00

24.0 MIRU PRO PETRO AIR RIG #9 ON 11/18/2007. DRILLED 12–1/4" HOLE TO 2700' GL. ENCOUNTERED WATER @ 2250'. RAN 62 JTS (2637.35') OF 9–5/8", 36.0#/FT, J–55, ST&C CASING WITH TOP–CO GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2653' KB. RAN 200' OF 1" PIPE DOWN BACK SIDE. RDMO AIR RIG.

MIRU PRO PETRO CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 200 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 250 SX (170 BBLS) OF PREMIUM LEAD CEMENT W/16% GEL, 10 #/ SX GILSONITE, 3 #/ SX GR-3, 3% SALT & ½ #/ SX FLOCELE. MIXED LEAD CEMENT @ 11.0 PPG W/YIELD OF 3.82 CF/SX.

TAILED IN W/225 SX (47 BBLS) OF PREMIUM CEMENT W/2% CACL2 & ¼ #/ SX FLOCELE. MIXED TAIL CEMENT TO 15.6 W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/200 BBLS FRESH WATER. DID NOT BUMPED PLUG. SHUT IN CASING W/500# @ 11:55 PM, 11/20/2007. BROKE CIRCULATION 1 BBL INTO LEAD CEMENT. NO GELLED WATER OR CEMENT TO SURFACE. HOLE FELL BACK WHEN PUMPING STOPPED.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (20 BLS) OF PREMIUM CEMENT W/4% CACL2 & 1/4 #/ SX FLOCELE. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX. HOLE FILLED & CIRCULATED 1 BBL CEMENT TO SURFACE. HOLE FELL BACK WHEN PUMPING STOPPED. WOC 5 HRS.

TOP JOB # 2: MIXED & PUMPED 125 SX (26 BBLS) OF PREMIUM CEMENT W/2% CACL2 & ¼ #/ SX FOLCELE. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX. NO RETURNS, RDMO PRO PETRO CEMENTERS.

11-25-2007

TOP JOB # 3: MIRU PRO PETRO CEMENTERS. MIXED & PUMPED 50 SX OF PREMIUM CEMENT W/2 % CACL2 & $\frac{1}{2}$ #/ SX FLOCELE. MIXED CEMENT TO 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO PRO PETRO CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

MIRU GLENNS WIRELINE SERVICE. RAN IN HOLE W/STRAIGHT HOLE SURVEY. TAGGED CEMENT @ 2502° . PICKED UP TO 2482° & TOOK SURVEY. $2\frac{3}{4}$ DEGREE.

DALL COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 11/15/2007 @ 7-15 AM

| 12-07-2007] | Reported By | PA | T CLARK | | | | | | | |
|---|--|--|---|---|--|--|---|--|--|------------------|
| DailyCosts: Drilling | \$19,5 | 82 | Co | mpletion | \$0 | | Dail | y Total | \$19,582 | |
| Cum Costs: Drillin | ş \$268, | ,052 | Co | mpletion | \$0 | | Well | Total | \$268,052 | |
| MD 2,653 | TVD | 2,653 | Progress | 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | | PBTD : 0. | .0 | | Perf: | | | PKR De | pth: 0.0 | |
| Activity at Report | lime: MOVE F | NG TO HOS | S 45-29 | | | | | | | |
| Start End | Hrs Ac | tivity Desc | ription | | | | | | | |
| 06:00 06:00 | 24.0 RD | MO. GET R | EADY TO MO | OVE RIG TO | HOSS 45-29 | i | | | | |
| | МС | OVE CAMPS | s @ 09:00. | | | | | | | |
| | FU | LL CREWS, | NO ACCIDE | NTS. | | | | | | |
| | SA | FETY MEET | TINGS – 100 ° | % TIEOFF | OVER 6', FO | RKLIFT, RI | IGGING DOV | WN. | | |
| | NC | TIFIED JAM | IIE SPARGEF | R//VERNAL | BLM//12-06- | 07//10:00// | BOP TEST. | | | |
| | ES | TIMATED S | PUD 12/8/07 | @ 23:00 HR | S. | | | | | |
| 12-08-2007 | Reported By | PA | T CLARK | | | | | | | |
| DailyCosts: Drilling | \$28,5 | 76 | Co | mpletion | \$0 | | Dail | y Total | \$28,576 | |
| Cum Costs: Drilling | \$296, | ,628 | Co | mpletion | \$0 | | Well | Total | \$296,628 | |
| MD 2,653 | TVD | 2,653 | Progress | 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | | PBTD : 0. | .0 | | Perf: | | | PKR De | oth: 0.0 | |
| | | tivity Desc | - | ERED BY H | EAVY SNOW | CONDITI | ONS. | | | |
| Start End | Hrs Ac 24.0 RD RIG ES' FU | tivity Descr MO HOSS 6 G ON LOCA TIMATED B LL CREWS, | 68–29, HAMP FION @ 15:00 OP TEST – T NO ACCIDE |), DERRICK ODAY @ 18 NTS. | NOT ON FLO | OOR YET. 1 | RIG IS 60 % | | TIONS | |
| Start End 06:00 06:00 | Hrs Ac 24.0 RD RIC ES' FU SA | tivity Description HOSS 6 GON LOCA TIMATED B LL CREWS, FETY MEET | 18–29, HAMP TION @ 15:00 OP TEST – T NO ACCIDE TING – RIG M |), DERRICK ODAY @ 18 NTS. | NOT ON FLO | OOR YET. 1 | RIG IS 60 % | | TIONS. | |
| Start End 06:00 06:00 | Hrs Ac 24.0 RD RIG ES' FU SA Reported By | MO HOSS 6 ON LOCA TIMATED B LL CREWS, FETY MEET | 18-29, HAMP TION @ 15:00 OP TEST - T NO ACCIDE TING - RIG M |). DERRICK ODAY @ 18 NTS. 10VE W/W | NOT ON FLO | OOR YET. 1 | RIG IS 60 % | LICK CONDI | | |
| Start End 06:00 06:00 12-09-2007 Daily Costs: Drilling | Hrs Ac | tivity Description of the control of | 18-29, HAMP 11ON @ 15:00 OP TEST - T NO ACCIDE TING - RIG M T CLARK | O. DERRICK ODAY @ 18 NTS. MOVE W/ W Ompletion | E NOT ON FLO 6:00. ESTROC TRU \$0 | OOR YET. 1 | RIG IS 60 % ORKLIFT, SI Dail | LICK CONDI | \$71,089 | |
| Start End 06:00 06:00 12-09-2007 DailyCosts: Drilling | Hrs Ac 24.0 RD RIG ES' FU SA Reported By \$ \$71,0 \$ \$367, | MO HOSS 6 G ON LOCA TIMATED B LL CREWS, FETY MEET PA 989 | 18-29, HAMP. TION @ 15:00 OP TEST - T NO ACCIDE TING - RIG M T CLARK Co | O. DERRICK ODAY @ 18 NTS. MOVE W/ W Ompletion | S NOT ON FLO S:00. ESTROC TRU \$0 \$0 | OOR YET. 1 | RIG IS 60 % ORKLIFT, SI Daily Well | LICK CONDI y Total Total | \$71,089 \$367,717 | |
| Start End 06:00 06:00 12-09-2007 1 Daily Costs: Drilling Cum Costs: Drilling MD 2,653 | Hrs Ac | MO HOSS 6 G ON LOCA TIMATED B LL CREWS, FETY MEET PA 189 717 2,653 | 18-29, HAMP. TION @ 15:00 OP TEST - T NO ACCIDE TING - RIG M T CLARK Co Co Progress | O. DERRICK ODAY @ 18 NTS. MOVE W/ W Ompletion | S NOT ON FLO S:00. ESTROC TRU \$0 \$0 Days | OOR YET. 1 | RIG IS 60 % ORKLIFT, SI Dail | LICK CONDI y Total Total 0.0 | \$71,089 \$367,717 Visc | 0.0 |
| Start End 06:00 06:00 12-09-2007 1 Daily Costs: Drilling MD 2,653 Formation: | Hrs Ac | MO HOSS 6 G ON LOCA TIMATED B LL CREWS, FETY MEET PA 989 | 18-29, HAMP. TION @ 15:00 OP TEST - T NO ACCIDE TING - RIG M T CLARK Co Co Progress | O. DERRICK ODAY @ 18 NTS. MOVE W/ W Ompletion | S NOT ON FLO S:00. ESTROC TRU \$0 \$0 | OOR YET. 1 | RIG IS 60 % ORKLIFT, SI Daily Well | LICK CONDI y Total Total | \$71,089 \$367,717 Visc | 0.0 |
| Start End 06:00 06:00 12-09-2007 DailyCosts: Drilling Cum Costs: Drilling MD 2,653 Formation: Activity at Report 7 | Hrs Ac 24.0 RD RIG ES FU SA Reported By \$71,0 \$367, TVD | tivity Description of the control of | 18-29, HAMP. TION @ 15:00 OP TEST - T NO ACCIDE TING - RIG N T CLARK Co Co Progress | O. DERRICK ODAY @ 18 NTS. MOVE W/ W Ompletion | S NOT ON FLO S:00. ESTROC TRU \$0 \$0 Days | OOR YET. 1 | RIG IS 60 % ORKLIFT, SI Daily Well | LICK CONDI y Total Total 0.0 | \$71,089 \$367,717 Visc | 0.0 |
| Start End 06:00 06:00 12-09-2007 Daily Costs: Drilling Cum Costs: Drilling MD 2,653 Formation: Activity at Report | Hrs Ac 24.0 RD RIG ES FU SA Reported By \$ \$71,0 \$ \$367, TVD Time: PU DP Hrs Ac | tivity Description of the control of | 18–29, HAMP. TION @ 15:00 OP TEST – T NO ACCIDE TING – RIG M T CLARK Co Progress .0 | O. DERRICK ODAY @ 18 NTS. HOVE W/W Ompletion O 0 | \$0 \$0 \$0 \$0 \$0 Days Perf : | OOR YET. 1 CKING, FO | RIG IS 60 % ORKLIFT, SI Daily Well MW | JICK CONDI y Total Total 0.0 PKR Dej | \$71,089 \$367,717 Visc pth : 0.0 | |
| Start End 06:00 06:00 12-09-2007 Daily Costs: Drilling MD 2,653 Formation: Activity at Report 7 Start End 06:00 17:30 | Hrs Ac | tivity Descipion of the control of t | 18-29, HAMP. TION @ 15:00 OP TEST - T NO ACCIDE TING - RIG N T CLARK Co Progress .0 ription CK ON FLOO | O. DERRICK ODAY @ 18 NTS. MOVE W/ W ompletion 0 | S NOT ON FLO | OOR YET. 1 CKING, FO | RIG IS 60 % ORKLIFT, SI Daily Well MW | JICK CONDI y Total Total 0.0 PKR Dej | \$71,089 \$367,717 Visc | |
| Start End 06:00 06:00 12-09-2007 Daily Costs: Drilling Cum Costs: Drilling MD 2,653 Formation: Activity at Report | Hrs Ac | tivity Descipion of the control of t | 18-29, HAMP. TION @ 15:00 OP TEST - T NO ACCIDE TING - RIG N T CLARK Co Progress .0 ription CK ON FLOO | O. DERRICK ODAY @ 18 NTS. MOVE W/ W ompletion 0 | \$0 \$0 \$0 \$0 \$0 Days Perf : | OOR YET. 1 CKING, FO | RIG IS 60 % ORKLIFT, SI Daily Well MW | JICK CONDI y Total Total 0.0 PKR Dej | \$71,089 \$367,717 Visc pth : 0.0 | |
| Start End 06:00 06:00 12–09–2007 Daily Costs: Drilling MD 2,653 Formation: Activity at Report 7 Start End 06:00 17:30 | Hrs Ac 24.0 RD RIG ES FU SA Reported By \$ \$71,0 \$ \$367, TVD Time: PU DP Hrs Ac 11.5 RU 2.0 NU 3.5 RAC VA MA | PACE OF THE PACE O | 18-29, HAMP. TION @ 15:00 OP TEST - T NO ACCIDE TING - RIG M T CLARK Co Progress .0 ription CK ON FLOO. TO ON DAYWO | O. DERRICK ODAY @ 18 NTS. MOVE W/ W Ompletion O R @ 10:00.7 RK @ 17:30 ID TEST BO ETY VALVE D RAMS, C | \$0 \$0 Days Perf: FRUCKS AND OHRS, 12/8/07 PE. TEST HICE, PIPE RAMS | CKING, FO CRANE R GH 5000 PS INSIDE A | DRKLIFT, SI Daily Well MW EELEASED © | y Total O.0 PKR Dep 11:00. DER: PSI UPPER A DE VALVES, CHIGH 2500 P | \$71,089 \$367,717 Visc pth: 0.0 RICK IN AIR @ ND LOWER KICHECK VALVE SI, LOW 250 PS |) 13:00. ELLY |
| Start End | Hrs Ac | PATT : 0. Continued by the continued by | 18-29, HAMP. TION @ 15:00 OP TEST - T NO ACCIDE TING - RIG M T CLARK Co Progress .0 ription CK ON FLOO. TO ON DAYWO | O. DERRICK ODAY @ 18 NTS. HOVE W/W Ompletion O R @ 10:00. T RK @ 17:30 ID TEST BO ETY VALVE D RAMS, C EST SURFA | \$0 \$0 Days Perf: FRUCKS AND OHRS, 12/8/07 PPE. TEST HICE, SHOKE LINE, SICE CASING TO | CKING, FO CRANE R GH 5000 PS INSIDE A | DRKLIFT, SI Daily Well MW EELEASED © | y Total O.0 PKR Dep 11:00. DER: PSI UPPER A DE VALVES, CHIGH 2500 P | \$71,089 \$367,717 Visc pth: 0.0 RICK IN AIR @ ND LOWER KICHECK VALVE SI, LOW 250 PS |) 13:00. ELLY |

SAFETY MEETINGS - TEST BOP, P/U BHA.

FUEL – 9374 GALS, DELIVERED – 8000 GALS, USED – 1226 GALS.

MUDLOGGER CHUCK HALSTEAD - 1 DAY.

| 12-10-20 | 07 Re | ported By | P.A | AT CLARK | | | | | | | |
|------------|--------------|-------------|-----------------|-----------------|-------------|--------------|-------------|---------------|-------------|-----------------|------|
| DailyCost | ts: Drilling | \$33,29 | 93 | Con | npletion | \$0 | | Daily | Total | \$33,293 | |
| • | ts: Drilling | \$401,0 | 010 | Con | npletion | \$0 | | Well | Total | \$401,010 | |
| MD | 4,690 | TVD | 4,690 | Progress | 2,127 | Days | 1 | MW | 9.0 | Visc | 28.0 |
| Formatio | n: | | PBTD : 0 | 0.0 | | Perf: | | | PKR De | pth: 0.0 | |
| Activity a | t Report Ti | me: DRILLIN | iG | | | | | | | | |
| Start | End | Hrs Act | tivity Desc | ription | | | | | | | |
| 06:00 | 07:30 | 1.5 FIN | ISH P/U DI | P, TAG CEMEN | Т @ 2553' | . R/D CALIBI | ER CSG. | | | | |
| 07:30 | 09:00 | 1.5 SLI | P & CUT 10 | 00' DRILL LIN | E. | | | | | | |
| 09:00 | 11:30 | 2.5 DR | ILL CEME | NT/FLOAT EQU | JIP. FLOAT | COLLAR @ | 2508', GUI | DE SHOE @ | 2563'. DRIL | L 10' TO 2573'. | |
| 11:30 | 12:00 | 0.5 SPC | T VISCOU | IS PILL, PERFO | ORM F.I.T. | TO 254 PSI F | OR 10.5 EM | ſW. | | | |
| 12:00 | 16:00 | 4.0 DR | ILL 2573' – | 3060'. WOB 10 | 0–17K, RP | M 55/70, SPP | 850 PSI, DI | 300 PSI, RO | P 122 FPH. | | |
| 16:00 | 16:30 | 0.5 SUI | RVEY @ 29 | 90' – 1.5 DEG. | | | | | | | |
| | | RIG | SERVICE. | CHECK C.O.N | И., FUNCT | ION PIPE RA | MS. | | | | |
| 16:30 | 00:45 | 8.25 DR | ILL 3060' – | 4090'. SAME | PARAMET | ERS, ROP 12 | 5 FPH. | | | | |
| 00:45 | 01:15 | 0.5 SUI | RVEY @ 40 |)20' - 1.5 DEG. | | | | | | | |
| 01:15 | 06:00 | 4.75 DR | ILL 4090' – | 4690'. SAME | PARAMET | ERS, ROP 12 | 6 FPH. | | | | |
| | | | | | | | | | | | |
| | | FUI | LL CREWS | , NO ACCIDEN | ITS, BOP I | ORILL BOTH | TOURS. | | | | |
| | | SAI | FETY MEE | TINGS – SLIC | K CONDIT | IONS, C.O.M | • | | | | |
| | | FUI | EL – 7917 C | GALS, USED – | 1457 GAL | S. | | | | | |
| | | CUI | RRENT MV | W – 9.1 PPG, VI | IS – 32 SPC | Q. | | | | | |
| | | CUI | RRENT FO | RMATION - G | REEN RIV | 'ER @ 2192'. | | | | | |
| | | MU | DLOGGER | CHUCK HAL | STEAD – 2 | 2 DAYS. | | | | | |
| 24.00 | | 40.0 000 | | or = 0 11 00 Y | YDG 441010 | _ | | | | | |
| 06:00 | | | | OLE @ 11:30 H | IRS, 12/9/0 | 77. | | | | | |
| 121120 | 907 Re | eported By | P | AT CLARK | | | | | | | |
| DailyCos | ts: Drilling | \$35,24 | 45 | Cor | npletion | \$800 | | Daily | Total | \$36,045 | |
| Cum Cos | ts: Drilling | \$436,2 | 256 | Cor | npletion | \$800 | | Well | Total | \$437,056 | |
| MD | 6,760 | TVD | 6,760 | Progress | 2,070 | Days | 2 | \mathbf{MW} | 9.3 | Visc | 30.0 |
| Formatio | n: | | PBTD: | 0.0 | | Perf: | | | PKR De | pth: 0.0 | |
| Activity a | ıt Report Ti | me: DRILLIN | IG | | | | | | | - | |
| Start | End | Hrs Act | tivity Desc | cription | | | | | | | |
| 06:00 | 10:15 | | • | -5107'. WOB 1 | 2–17K. RP | M 58/70. SPP | 1350 PSI, E | OP 350 PSI, R | OP 98 FPH. | | |
| 10:15 | 10:45 | | |)37' – 2 DEG. | - | | ,- | | | | |
| 10:45 | 17:00 | | | - 5762'. SAME | PARAMET | ERS, ROP 10 | 5 FPH. | | | | |
| 17:00 | 17:15 | | | . CHECK C.O.N | | * | | | | | |
| 17:15 | 06:00 | | | - 6760'. SAME | • | | | | | | |
| | | | | , NO ACCIDEN | | , | | | | | |
| | | | | , | -, | | | | | | |

FORMATIONS - WASATCH @ 5180', CHAPITA WELLS @ 5800', NORTH HORN @ 6450'.

CURRENT MW - 9.8 PPG, VIS - 34 SPQ.

FUEL - 6028 GALS, USED - 1889 GALS.

| | | MUDLO | OGGER CHU | JCK HALSTEAD – 3 | DAYS. | | | | | |
|------------|--------------|-----------------|---|--------------------|--------------|---------------|----------------|---------------------|-----------|------|
| 12-12-20 | 07 Re | ported By | PAT CL | ARK/JIM LOUDERI | MILK | | | | | |
| DailyCost | s: Drilling | \$35,759 | | Completion | \$0 | | Daily T | 'otal | \$35,759 | |
| Cum Cost | s: Drilling | \$472,016 | | Completion | \$800 | | Well To | otal | \$472,816 | |
| MD | 8,015 | TVD | 8,015 Pr e | ogress 1,255 | Days | 3 | MW | 9.8 | Visc | 33.0 |
| Formation | n: | PB' | TD: 0.0 | | Perf: | | | PKR De _I | oth: 0.0 | |
| Activity a | t Report Ti | me: DRILLING | | | | | | | | |
| Start | End | Hrs Activity | y Descripti | on | | | | | | |
| 06:00 | 14:30 | 8.5 DRILL | 6760' – 7231 | '. WOB 12–19K, RPI | M 60/70, SPI | P 1500 PSI, D | P 350 PSI, ROP | 55 FPH. | | |
| 14:30 | 15:00 | 0.5 RIG SEI | 0.5 RIG SERVICE. CHECK C.O.M., FUNCTION PIPE RAMS. | | | | | | | |
| 15:00 | 06:00 | 15.0 DRILL | 15.0 DRILL 7231'-8015'.(18-22K WOB / 60 RPM-71MTR / 401 GPM), 52.3 FPH. VIS 36 WT 10.1. | | | | | | | |
| | | MTR #1 | : 23.5 / 63.75 | HRS. | | | | | | |
| | | CREWS | : FULL / NO | ACCIDENTS REPO | RTED / HSN | M: COMMUN | NICATION. | | | |
| | | FUEL 3 | 822 GAL US | SED 2206 GAL. BOI | LER: 24 HR | S. | | | | |
| | | KMV PI | RICE RIVER | @ 7630'. BG 100-2 | 250U CONN | 1 250-350U | MAX 6475U @ | 7214'. | | |
| 12-13-20 | 07 Re | ported By | JIM LO | UDERMILK | | | | | | |
| DailyCost | s: Drilling | \$104,224 | | Completion | \$0 | | Daily T | otal | \$104,224 | |
| Cum Cost | ts: Drilling | \$576,241 | | Completion | \$800 | | Well To | otal | \$577,041 | |
| MD | 8,579 | TVD | 8,579 Pro | ogress 564 | Days | 4 | MW | 10.2 | Visc | 35.0 |
| Formation | n: | PB' | TD: 0.0 | | Perf: | | | PKR Dep | oth: 0.0 | |
| Activity a | t Report Ti | me: TRIP IN BIT | #2 | • | • | | | | | |
| Start | End | Hrs Activity | y Descripti | on | | | | | | |
| 06:00 | 17:30 | 11.5 DRILL | 8015'-8515' | (18-22K WOB / 60 | RPM-71MT | R / 401 GPM | I), 43.5 FPH. | | | |
| 17:30 | 18:00 | 0.5 SERVIC | E RIG / FUN | ICTION PIPE RAMS | CHECK C | сом. | | | | |
| 18:00 | 21:00 | 3.0 DRILL | 8515'-8579' | , (18–22K WOB / 60 | RPM-71MT | R / 401 GPM | I), 21.3 FPH. | | | |
| 21:00 | 21:30 | 0.5 DROP S | SURVEY / PU | IMP WEIGHTED PI | LL. | | | | | |
| 21:30 | 02:00 | 4.5 TRIP O | UT WITH BI | T#1/NOTROUBLE | ES, CORREC | CT JOINT CO | OUNT / FUNCTI | ION BLINI | O RAMS. | |
| 02:00 | 03:00 | 1.0 LD REA | AMERS, CHA | ANGE OUT MOTOR | & BIT. | | | | | |
| 03:00 | 04:30 | 1.5 RIG RE | PAIR / WELI | D ON D.S. BRAKE F | LANGE (W | ATER LEAK |). | | | |
| 04:30 | 06:00 | 1.5 TRIP IN | WITH BIT | #2 HC506Z & HUNT | ING .16 MC | OTOR. VIS 3 | 6 WT 10.3. | | | |
| | | MTR #1 | l: 14.5 / 78.25 | HRS. | | | | | | |
| | | CREWS | S: FULL / NO | ACCIDENTS REPO | RTED / HSM | M: PPE, MIX | ING MUD & CI | HEMICAL: | S. | |
| | | FUEL 1 | 800 GAL US | SED 2022 GAL. BOI | LER: 24 HR | S. | | | | |
| | | KMV P | RICE RIVER | MIDDLE @ 8380'. | BG 200-30 | OU CONN 4 | 00-550U MAX | 5740 @ 81 | 84'. | |
| 12-14-20 | 07 Re | eported By | JIM LO | UDERMILK | | | | | | |
| DailyCost | ts: Drilling | \$48,952 | | Completion | \$0 | | Daily T | otal | \$48,952 | |
| Cum Cos | ts: Drilling | \$625,193 | | Completion | \$800 | | Well To | otal | \$625,993 | |
| MD | 9,280 | TVD | 9,280 Pr | ogress 701 | Days | 5 | MW | 10.1 | Visc | 36.0 |

Activity at Report Time: DRILLING @ 9280'

PBTD: 0.0

Formation:

Perf:

PKR Depth: 0.0

| Start | End | Hrs Activity Des | cription | | | | | | | |
|------------|---------------|--------------------------------|-------------------------------|------------|-------------|--------------|------------------------|--------------|-----------------|-------------|
| 06:00 | 08:00 | 2.0 TRIP IN WITI | | Z & HUNT | ING .16 MO | OR / NO TR | OUBLES. | | | |
| 08:00 | 14:00 | 6.0 DRILL 8579'- | | | | | | | | |
| 14:00 | 14:30 | 0.5 SERVICE RIC | | | | | • | | | |
| 14:30 | 06:00 | 15.5 DRILL 8765'- | -9280', (15–20K | WOB / 60 I | RPM-67MT1 | R / 419 GPM) | , 33.2 FPH. | VIS 37 WT | 10.6. LOST 160 | BBL'S TO |
| | | | TION FROM 885 | | | | | | | |
| | | | L/NO ACCIDEN | | | | | | | |
| | | | AL USED 1300 (| | | | | | | D 404571 0 |
| | | 8580. | RIVER MIDDLE | @ 8380'. | BG 1200U=3 | 000U CONN | N 2800-3300 | U MAX 297 | 5 @ 9206° TRI | P 2867U @ |
| | | | MIE SPARGER,(G RUN AND CE | • | | | | | FICE ON 12/13 | /2007 @ 14: |
| 12-15-26 | 007 Re | eported By J | IM LOUDERMII | _K | | | | | | |
| DailyCos | ts: Drilling | \$33,031 | Com | pletion | \$0 | | Daily | Total | \$33,031 | |
| Cum Cos | ts: Drilling | \$658,225 | Com | pletion | \$800 | • | Well ' | Total | \$659,025 | |
| MD | 9,660 | TVD 9,660 | Progress | 380 | Days | 6 | $\mathbf{M}\mathbf{W}$ | 10.5 | Visc | 37.0 |
| Formatio | n: | PBTD: | 0.0 | | Perf: | | | PKR De | pth: 0.0 | |
| Activity a | at Report Ti | me: TRIP OUT BIT #2 | | | | | | | | |
| Start | End | Hrs Activity Des | cription | | | | | | | |
| 06:00 | 09:00 | 3.0 DRILL 9280'- | -9335', (15–20K | WOB / 60 | RPM-67MTI | R / 419 GPM) | , 18.3 FPH. | | | |
| 09:00 | 10:00 | 1.0 WORK ON P | JMPS. | | | | | | | |
| 10:00 | 19:30 | 9.5 DRILL 9335'- | -9475', (1520K | WOB / 60 | RPM-67MTI | R / 419 GPM) | , 14.7 FPH. | | | |
| 19:30 | 20:00 | 0.5 SERVICE RIC | / FUNCTION P | IPE RAMS | / CHECK CO | OM. | | | | |
| 20:00 | 02:30 | 6.5 DRILL 9475'- | -9660', (15–24K | WOB / 60 | RPM-67MTI | R / 419 GPM) | , 28.5 FPH. | | | |
| 02:30 | 03:00 | 0.5 MIX & PUMF | WEIGHTED PII | LL. | | | | | | |
| 03:00 | 06:00 | 3.0 TRIP OUT WI POSSIBLE FI | TH BIT #2. SLC UID COUPLER | | | | | | JECTOR LINES | S & |
| | | CREWS: FUL | L / NO ACCIDE | NTS REPO | RTED / HSM | : JOB FOCU | S & AWARE | NESS. | | |
| | | FUEL 2305 G | AL USED 2097 | GAL. BOI | LER: 24 HRS | S. | | | | |
| | | KMV PRICE | RIVER LOWER | @ 9260'. I | 3G 2200–260 | OU CONN 3 | 000-3300U | MAX 4187 | @ 9320'. | |
| 12-16-20 | 007 Re | eported By J | IM LOUDERMII | LK | | | | | | |
| DailyCos | ts: Drilling | \$53,638 | Com | pletion | \$0 | | Daily | Total | \$53,638 | |
| Cum Cos | sts: Drilling | \$711,863 | Com | pletion | \$800 | | Well ' | Total | \$712,663 | |
| MD | 9,890 | TVD 9,890 | Progress | 230 | Days | 7 | MW | 10.6 | Visc | 36.0 |
| Formatio | n: | PBTD: | 0.0 | | Perf: | | | PKR De | pth: 0.0 | |
| Activity a | at Report Ti | me: LD DP | | | | | | | | |
| Start | End | Hrs Activity Des | cription | | | | | | | |
| 06:00 | 08:00 | 2.0 TRIP OUT W | _ | | | OTOR IS DO | WN & NEE | DS FUEL IN | JECTOR LINES | S & |
| 08:00 | 11:00 | 3.0 PU BIT #3 / C | HANGE OUT M | OTORS & | TRIP IN TO | 2300'. FUNC | CTIONED BI | LIND RAMS | | |
| 11:00 | 12:00 | 1.0 RIG REPAIR | WORK ON #2 F | LOOR MO | OTOR, (FLUI | D COUPLER | PUMP & SO | CREEN). | | |
| 12:00 | 12:30 | 0.5 SERVICE RIC | / FUNCTION P | IPE RAMS | / CHECK C | OM. | | | | |
| 12:30 | 15:30 | 3.0 TRIP IN WITH | H BIT #3 / NO TE | ROUBLES | /LOST 160 I | BLL'S TO FO | RMATION (| ON TRIP. | | |
| 15:30 | 16:00 | 0.5 REAM 45' TO | BOTTOM. | | | | | | | |
| 16:00 | 22:30 | 6.5 DRILL 9660'- | -9890' TD, (15-2 | 4K WOB / | 60 RPM-561 | MTR / 350GP | M), 38.3FPH | I. VIS 38 W7 | Γ 10.7. | |

MTR #3: 6/ROT HRS: 124.75. REACHED TD ON 12/15/2007 @ 22:30 HRS.

| 22:30 | 23:30 | 1.0 CBU / CHECK FLOW, (NONE). |
|-------|-------|---|
| 23:30 | 01:30 | 2.0 CIRCULATE / HSM WITH WEATERFORD TRS & RU. PUMP 150 BBL'S OF 14.0 PPG, (EMW 11.4). |
| 01:30 | 06:00 | 4.5 LDDP / CASING POINT ON 12/16/2007 @ 01:30. |
| | | CREWS: FULL / NO ACCIDENTS REPORTED / HSM: JOB FOCUS & AWARENESS. |
| | | FUEL 4650 GAL USED 1900 GAL. RECEIVED 4500 GAL. BOILER: 24 HRS. |
| | | SEG @ 9730'. BG 2100-2500U CONN 3200-4000U TRIP 6311U MAX 3185 @ 9831'. |
| | | MUD LOGGER RELEASED ON 12/15/2007 @ 23:30 HRS, (7 DAYS). |

| 12-17-2 | 007 R | eported By | Л | M LOUDERMII | LK | | | | | | |
|-----------|---------------|------------|-----------------|-------------|---------|-----------|---|--------|--------------|-----------|-----|
| DailyCos | sts: Drilling | \$24, | 578 | Com | pletion | \$197,127 | | Daily | Total | \$221,705 | |
| Cum Co | sts: Drilling | \$736 | 5,441 | Com | pletion | \$197,927 | | Well 7 | Total | \$934,368 | |
| MD | 9,890 | TVD | 9,890 | Progress | 0 | Days | 8 | MW | 0.0 | Visc | 0.0 |
| Formation | on: | | PBTD : 0 | 0.0 | | Perf: | | | PKR Der | oth: 0.0 | |

Activity at Report Time: RDRT/WO COMPLETION

Activity Description

Start

12-27-2007

End

| | | • |
|-------|-------|---|
| 06:00 | 10:30 | 4.5 LDDP/BREAK KELLY & RETRIEVE WEAR BUSHING. |
| 10:30 | 11:30 | 1.0 HSM WITH WEATHERFORD TRS & RU TO RUN CASING. |
| 11:30 | 19:00 | 7.5 RAN TOPCO POSITIVE FILL FLOAT SHOE, (1.50'), 1 JOINT, (44.89'), OF 4.5", 11.6#, HCP110, LTC, R3 CASING AND TOPCO POSITIVE FILL FLOAT COLLAR, (1.50'). FOLLOWED BY 219 JOINTS, (9746.58'), OF 4.5", 11.6#, HCP110, LTC, R3 CASING, 3 MARKER JOINTS, (63.53'), 1 PUP JT, (6.0') AND 1 LANDING JOINT, (16.00'), ALL 4.5", 11.6#, HCP-110, LTC CASING. LANDED @ 9880', FLOAT COLLAR @ 9832' WITH MARKERS @ 7192.15', 4722.03' & 22'. HOLE DEPTH OF 9890', LANDED @ 9880'. |

| 19:00 | 19:30 | 0.5 CIRC TO CLEAR FLOATS / NO RETURNS. RD WEATHERFORD TRS. |
|-------|-------|---|
| 19:30 | 20:30 | 1.0 HSM & RU SCHLUMBERGER. |
| 20:30 | 01:30 | 5.0 TEST LINES TO 5K. PUMP 20 BBL'S MUD FLUSH & 20 BBL'S OF FRESH WATER SPACER. |

LEAD: 600 SKS OF "G" MIXED @ 11.5 PPG, 2.98YLD+10%D20+.2%D167+.2%D046+.5%D013+.5%D065+ 125 LB/SK D130 FOR ADDITIVES. TAIL: 1540 SKS OF 50/50 POZ"G" MIXED @ 14.1 PPG AND 1.29 YLD + 2% D020 + . 1% D046 + .2% D065 + .2% D167 + .1% D013 FOR ADDITIVES. DSPL: 153 BBL'S OF FRESH WATER PUMPED @ 6 BPM. NO RETURNS. BUMPED PLUG WITH 1300 PSI OVER FPIP OF 2350 PSI, FLOATS HELD BLED BACK 1.5 BBL'S. CEMENT IN PLACE ON 12/17/2007 @ 01:42HRS.

| 01:30 | 02:30 | 1.0 WAIT ON CEMENT. |
|-------|-------|--|
| 02:30 | 03:00 | 0.5 FMC REP ON LOCATION TO PACK OF CSG HANGER. TEST TO 5K. |
| 03:00 | 06:00 | 3.0 ND BOP & CLEAN MUD TANKS. PREPARE FOR TRUCKS. |

SEARLE

WESTROC TRUCKING TO MOVE 1 MILES FROM THE HOSS 45–29 TO THE HOSS 67–29 ON 12/17/2007 @ 07:00 HRS. CREWS: FULL / NO ACCIDENTS REPORTED / HSM: CMT & ND BOP.

TRANSFER 8 JTS, (357.89' NET), OF 4.5", 11.6#, HCP110, LTC R3 CASING, 1 LANDING JT, (16.0' NET), OF 4.5", 11.6#, HCP110 LTC CASING AND 3900 GAL. #2 DIESEL FROM THE HOSS 45–29 TO THE HOSS 67–29. TRANSFER APPROXIMATELY 300 BBL'S OF 10.7 PPG MUD TO THE HOSS 67–29.

06:00 18.0 RELEASE RIG ON 12/17/2007 @ 06:00 HRS.

CASING POINT COST \$736,442

Reported Ry

| 12 27 2007 | reported by | | | | |
|--------------------|-------------|------------|----------|-------------|----------|
| DailyCosts: Drilli | ing \$0 | Completion | \$44,570 | Daily Total | \$44,570 |

| Cum Cost | s: Drilling | \$736,4 | 141 | Cor | npletion | \$242,497 | | Well T | otal | \$978,938 | |
|------------|--------------|-------------|---------------------|-------------|----------|--------------|----------|---------------|--------------|-----------------|--------|
| MD | 9,890 | TVD | 9,890 | Progress | 0 | Days | 9 | MW | 0.0 | Visc | 0.0 |
| Formation | 1 : | | PBTD : 9 | 832.0 | | Perf: | | | PKR De | pth: 0.0 | |
| Activity a | t Report Tii | ne: PREP FO | R FRACS | | | | | | | | |
| Start | End | Hrs Act | ivity Desc | cription | | | | | | | |
| 06:00 | 06:00 | | RU SCHLU SCHLUMI | | G WITH R | ST/CBL/CCL/V | DL/GR F | ROM PBTD TO | O 190'. EST | CEMENT TOP | @ 1840 |
| 02-24-20 | 08 Re | ported By | M | CCURDY | | | | | | | |
| DailyCost | s: Drilling | \$0 | | Cor | npletion | \$1,653 | | Daily 7 | Fotal | \$1,653 | |
| Cum Cost | s: Drilling | \$736,4 | 141 | Cor | npletion | \$244,150 | | Well T | otal | \$980,591 | |
| MD | 9,890 | TVD | 9,890 | Progress | 0 | Days | 10 | MW | 0.0 | Visc | 0.0 |
| Formation | n: | | PBTD : 9 | 9832.0 | | Perf: | | | PKR De | pth: 0.0 | |
| Activity a | t Report Ti | me: WO COM | IPLETION | | | | | | | | |
| Start | End | Hrs Act | ivity Desc | cription | | | | | | | |
| 16:00 | 17:00 | 1.0 NU | 10M FRAC | TREE. PRESS | URE TEST | ED FRAC TREE | E & CASI | ING TO 8500 P | SIG. WO C | OMPLETION. | |
| 03-18-20 | 08 Re | ported By | M | ICCURDY | | | | | - | | |
| DailyCost | s: Drilling | \$0 | | Cor | npletion | \$1,703 | | Daily ' | Total | \$1,703 | |
| Cum Cost | ts: Drilling | \$736,4 | 141 | Cor | npletion | \$245,853 | | Well T | otal | \$982,294 | |
| MD | 9,890 | TVD | 9,890 | Progress | 0 | Days | 11 | MW | 0.0 | Visc | 0.0 |
| Formation | n: MESAVE | RDE | PBTD : 9 | 9832.0 | | Perf: 8513'- | 9733' | | PKR De | pth: 0.0 | |
| Activity a | t Report Ti | me: FRAC | | | | | | | • | | |
| Start | End | Hrs Act | tivity Desc | ription | | | | | | | |

art End Hrs Activity Description 06:00 06:00 24.0 RU CUTTERS WL. PI

24.0 RU CUTTERS WL. PERFORATED LPR FROM 9606'-07', 9617'-19', 9630'-31', 9656'-57', 9662'-63', 9666'-67', 9673'-74', 7699'-700', 9704'-05', 9710'-11' & 9732'-33' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4161 GAL WF120 LINEAR PAD, 6323 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 28370 GAL YF116ST+ W/99100# 20/40 SAND @ 1-5 PPG. MTP 8148 PSIG. MTR 50.4 BPM. ATP 5846 PSIG. ATR 46.7 BPM. ISIP 3450 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 9570'. PERFORATED LPR FROM 9420'-21' (MISFIRE), 9425'-26', 9438'-41', 9486'-88', 9529'-30' & 9542'-46' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3116 GAL WF120 LINEAR PAD, 6319 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 26769 GAL YF116ST+ W/76400# 20/40 SAND @ 1-5 PPG. MTP 8018 PSIG. MTR 53.5 BPM. ATP 5263 PSIG. ATR 39.9 BPM. ISIP 2950 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 9310'. PERFORATED LPR/MPR FROM 9016'-17', 9046'-47', 9055'-56', 9059'-60', 9106'-07', 9140'-41', 9202'-03', 9218'-20', 9240'-41', 9254'-55' & 9286'-87' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 6092 GAL WF120 LINEAR PAD, 8374 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 30860 GAL YF116ST+ W/103000# 20/40 SAND @ 1-4 PPG. MTP 8632 PSIG. MTR 50.3 BPM. ATP 7562 PSIG. ATR 32.4 BPM. ISIP 4030 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8955'. PERFORATED MPR FROM 8743'-44', 8755'-56', 8773'-74', 8810'-11', 8844'-45', 8852'-53', 8860'-61', 8887'-89', 8916'-17', 8925'-26' & 8932'-33' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4140 GAL WF120 LINEAR PAD, 6318 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 34839 GAL YF116ST+ W/119800# 20/40 SAND @ 1-5 PPG. MTP 8535 PSIG. MTR 50.2 BPM. ATP 6951 PSIG. ATR 44 BPM. ISIP 2890 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8680'. PERFORATED MPR FROM 8513'-14', 8520'-21', 8530'-31', 8543'-44' (MISFIRE). 8550'-51', 8580'-81', 8619'-20', 8622'-23', 8636'-37', 8653'-54', 8660'-61', 8666'-67' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4132 GAL WF120 LINEAR PAD, 6316 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 44152 GAL YF116ST+ W/156300# 20/40 SAND @ 1-5 PPG. MTP 6223 PSIG. MTR 50.1 BPM. ATP 4518 PSIG. ATR 47.1 BPM. ISIP 2300 PSIG. RD SCHLUMBERGER, SDEN

| 03-19-2008 | Re | eported By | M | CCURDY | | The state of the s | | | | | |
|---------------|------------|------------|-----------------|----------|----------|--|--------|--------|--------|-----------------|-----|
| DailyCosts: I | Orilling | \$0 | | Co | mpletion | \$22,463 | | Daily | Total | \$22,463 | |
| Cum Costs: 1 | Drilling | \$736 | 5,441 | Co | mpletion | \$268,316 | | Well ' | Total | \$1,004,757 | |
| MD | 9,890 | TVD | 9,890 | Progress | 0 | Days | 12 | MW | 0.0 | Visc | 0.0 |
| Formation: | N37A C ATC | ·II | PBTD : 9 | 9832.0 | | Perf : 7203'- | -9733' | | PKR De | pth: 0.0 | |

MESAVERDE/WASATCH

Activity at Report Time: FRAC WASATCH

| Start | End | Hrs Activity Description | |
|-------|-------|---|--|
| 06:00 | 06:00 | 24.0 SICP 1786 PSIG. RUWL. SET 10K CFP AT 8485', PERFORATED MPR FROM 8357'-58', 8367'-68', 8372'-73', | |

8378'-79' (MISFIRE), 8402'-03', 8411'-12', 8417'-18', 8423'-24', 8443'-44' (MISFIRE), 8453'-55', 8468'-69' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106. 4150 GAL WF120 LINEAR PAD, 6327 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 39818 GAL YF116ST+ W/140000# 20/40 SAND @ 1-5 PPG. MTP 6368 PSIG. MTR 50.3 BPM. ATP 4448 PSIG. ATR 47.8 BPM. ISIP 2700 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8210'. PERFORATED UPR FROM 7918'-19', 7934'-35', 7940'-41', 7948'-49', 7970'-71', 7984'~85', 8005'~06', 8080'~81', 8160'~61', 8174'~75', 8180'~81' & 8185'~86' @ 3 SPF & 120° PHASING: RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5018 GAL WF120 LINEAR PAD. 6849 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 29516 GAL YF116ST+ W/103600# 20/40 SAND @ 1-5 PPG. MTP 7797 PSIG. MTR 50.2 BPM. ATP 5121 PSIG. ATR 47.4 BPM. ISIP 3150 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7870'. PERFORATED UPR FROM 7596'-97', 7605'-06', 7626'-27', 7636'-37', 7708'-09', 7713'-14', 7719'-20', 7749'-50', 7757'-58', 7763'-64', 7822'-23' & 7856'-57' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4858 GAL WF120 LINEAR PAD. 6722 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 52525 GAL YF116ST+ W/184700# 20/40 SAND @ 1-5 PPG. MTP 7128 PSIG. MTR 50.1 BPM. ATP 4005 PSIG. ATR 47.8 BPM. ISIP 2270 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7470'. PERFORATED NORTH HORN FROM 7203'-04', 7209'-10', 7219'-20', 7234'-35', 7263'-64', 7293'-94', 7340'-41', 7355'-56', 7399'-400', 7437'-38', 7444'-45' & 7448'-49' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3349 GAL WF120 LINEAR PAD, 6587 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 30229 GAL YF116ST+ W/107000# 20/40 SAND @ 1-5 PPG. MTP 6420 PSIG. MTR 50.2 BPM. ATP 4297 PSIG. ATR 45.2 BPM. ISIP 2270 PSIG. RD SCHLUMBERGER. SDFN.

| 03-20-2008 | Re | eported By | PC | OWELL | | | | | | | |
|---------------|----------|------------|-----------------|----------|----------|----------------------|-------|-------|--------|-------------|-----|
| DailyCosts: I | rilling | \$0 | | Con | npletion | \$423,617 | | Daily | Total | \$423,617 | |
| Cum Costs: I | Prilling | \$736 | ,441 | Con | npletion | \$691,933 | | Well | Total | \$1,428,374 | |
| MD | 9,890 | TVD | 9,890 | Progress | 0 | Days | 13 | MW | 0.0 | Visc | 0.0 |
| Formation: | | | PBTD : 9 | 9832.0 | | Perf : 5633'- | 9733' | | PKR De | oth: 0.0 | |

MESAVERDE/WASATCH

Activity at Report Time: SHUT IN

| | _ | | |
|-------|-------|------|---|
| Start | End | Hrs | Activity Description |
| 06:00 | 06:00 | 24.0 | SICP 1100 PSIG RUWL SET 6K CFP AT 7050'. PERFORATE Ba FROM 6606'-07', 6619'-20', 6699'-700', 6735'-36', 6799'-800', 6837'-38', 6871'-72', 6924'-25', 6930'-31', 6935'-36', 6970'-71', 7029'-30'@ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 4412 GAL WF120 LINEAR PAD, 11927GAL WF120 LINEAR 1# & 1.5# SAND, 26075 GAL YF116ST+ WITH 99600 # 20/40 SAND @ 1-4 PPG. MTP 6249PSIG. MTR 50.8 BPM. ATP 4045 PSIG. ATR47.9 BPM. ISIP 1100 PSIG. RD SCHLUMBERGER. |
| | | | |

RUWL SET 6K CFP AT 5905'. PERFORATE Ca FROM 5809'-10', 5821'-22', 5825'-26', 5829'-30', 5841'-42', 5844'-45', 5849'-51', 5860'-61', 5874'-75', 5882'-83', 5886'-87' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 3101 GAL WF120 LINEAR PAD, 7372 GAL WF120 LINEAR 1# & 1.5# SAND, 36404 GAL YF116ST+ WITH 132000 # 20/40 SAND @ 1-5 PPG. MTP 3196 PSIG. MTR 50.7BPM. ATP 4866 PSIG. ATR 48 BPM. ISIP 1200 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 5775'. PERFORATE FROM 5735'-38', 5745'-48', 5753'-59'@ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 3130GAL WF120 LINEAR PAD, 4227GAL WF120 LINEAR 1# & 1.5# SAND, 21768 GAL YF116ST+ WITH 77300 # 20/40 SAND @ 1-5 PPG. MTP 3274 PSIG. MTR 31.5 BPM. ATP 2283 PSIG. ATR30.2 BPM. ISIP 1279 PSIG. RD SCHLUMBERGER

RUWL SET 6K CFP AT 5685'. PERFORATE FROM 5633'-37', 5645'-49', 5662'-66' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 3114GAL WF120 LINEAR PAD, 4216GAL WF120 LINEAR 1# & 1.5# SAND, 21483 GAL YF116ST+ WITH 76420 # 20/40 SAND @ 1-5 PPG. MTP 4203 PSIG. MTR 31.4 BPM. ATP 2762 PSIG. ATR 28.4 BPM. ISIP 940 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 5518'. RDMO CUTTERS WIRELINE.

| 03-27-2 | nng Da | ported By | | AUSCH | | COTTERS WIR | | | | | |
|---|--------------------------------|-----------------------|-----------------|-----------------|------------|---------------------------------------|-----------|-----------------|--|-------------------------|--------|
| DailyCos | sts: Drilling sts: Drilling | \$0 \$0 \$736,4 | | Com | ipletion | \$36,674 \$728,607 | | Daily Well ' | | \$36,674 \$1,465,048 | |
| MD | 9,890 | TVD | 9,890 | Progress | 0 | Days | 14 | MW | 0.0 | Visc | 0.0 |
| Formation MESAVE | on: RDE/WASATC | | PBTD : 9 | - | | Perf : 5633'- | -9733' | | PKR De | pth: 0.0 | |
| Activity | at Report Ti | me: CLEAN (| OUT AFTE | R FRAC | | | | | | | |
| Start | End | Hrs Act | ivity Desc | ription | | | | | | | |
| 07:00 | 16:00 | 9.0 MIF | USU. RIH | W/3-7/8" MILI | & PUMP | OFF BIT SUB | TO 5510 ' | . SDFN. | | | |
| 03-28-2 | 008 Re | ported By | В | AUSCH | | | | | ************************************** | | |
| DailyCos | sts: Drilling | \$0 | | Con | pletion | \$10,360 | | Daily | Total | \$10,360 | |
| Cum Co | sts: Drilling | \$736,4 | 41 | Con | pletion | \$738,967 | | Well ' | Total | \$1,475,408 | |
| MD | 9,890 | TVD | 9,890 | Progress | 0 | Days | 15 | MW | 0.0 | Visc | 0.0 |
| Formation: PBTD: 9800.0 MESAVERDE/WASATCH | | | | | | Perf : 5633'- | -9733' | | PKR De | pth: 0.0 | |
| Activity | at Report Ti | me: FLOW TI | EST | | | | | | | | |
| Start | End | Hrs Act | ivity Desc | ription | | | | | | | |
| 07:00 | 06:00 | 848 | 5', 8680', 8 | | 570'. RIH. | ED OUT PLUGS CLEANED OUT DMOSU. | | | | | |
| | | FLO | WED 10 H | IRS. 24/64" CHO | OKE. FTP | 675 PSIG. CP 12 | 50 PSIG. | . 85 BFPH. RE | COVERED | 944 BLW. 15970 | BLWTR. |
| | | TUI | BING DETA | AIL LENGTH | | | | | | | |
| | | PU | AP OFF SU | B 1.00' | | | | | | | |
| | | 1 Л | 2-3/8" 4.7 | # N-80 TBG 3 | 32.85 | | | | | | |
| | | XN | NIPPLE | 1.30' | | | | | | | |
| | | 249 | JTS 2-3/8" | 4.7# N-80 TBC | § 8182.3 | 9' | | | | | |

2-3/8" N-80 NIPPLE & COUPLING .60'

BELOW KB 16.00'

LANDED @ 8233.84' KB

| 03-29-2008 | Re | ported By | В | AUSCH | | | | | | | |
|-----------------------|----------|-----------|-----------------|----------|----------|----------------------|-------|--------|---------------------|-----------------|-----|
| DailyCosts: | Drilling | \$0 | | Con | npletion | \$3,850 | | Daily | Total | \$3,850 | |
| Cum Costs: | Drilling | \$736 | ,441 | Con | npletion | \$742,817 | | Well 7 | Total | \$1,479,258 | |
| MD | 9,890 | TVD | 9,890 | Progress | 0 | Days | 16 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | /WASATC | H | PBTD : 9 | 0.008 | | Perf : 5633'- | 9733' | | PKR De _l | pth: 0.0 | |

Activity at Report Time: FLOW TEST

| Start | End | Hrs | Activity | Description |
|-------|-----|-----|----------|-------------|
|-------|-----|-----|----------|-------------|

06:00 06:00 24.0 FLOWED 24 HR THRU BRECO TEST UNIT. 24/64" CHOKE, FTP 500 PSIG, CP 1750 PSIG, 72 BFPH. RECOVERED 1716 BLW. 14254 BLWTR.

| 03-30-2008 | Reporte | ed By | BAUSCH | | | | | | | |
|-------------------|---------------|-----------|----------|------------|--------------|-------|-------|---------|-------------|-----|
| DailyCosts: Drill | ing | \$0 | C | Completion | \$3,850 | | Daily | Total | \$3,850 | |
| Cum Costs: Dril | ling | \$736,441 | C | Completion | \$746,667 | | Well | Total | \$1,483,108 | |
| MD 9,8 | 90 TVI | 9,890 | Progress | 0 | Days | 17 | MW | 0.0 | Visc | 0.0 |
| Formation: PBTD | | PBTD: | 9800.0 | | Perf: 5633'- | 9733' | | PKR Dep | oth: 0.0 | |

MESAVERDE/WASATCH

Activity at Report Time: FLOW TEST

| Start | End | Hrs | Activity Description |
|-------|-----|-----|-----------------------------|
|-------|-----|-----|-----------------------------|

06:00 06:00 24.0 FLOWED 24 HRS TO SALES THRU TEST UNIT. 24/64" CHOKE. FTP 500 PSIG. CP 2350 PSIG. 47 BFPH. RECOVERED 1135 BLW. 13119 BLWTR.

| 03-31-2008 | Re | eported By | В | AUSCH/DUANE | E COOK | | | | | | |
|---------------|----------|------------|-----------------|-------------|---------|--------------|--------|--------|--------|------------------|-----|
| DailyCosts: I | Orilling | \$0 | | Com | pletion | \$0 | | Daily | Total | \$0 | |
| Cum Costs: 1 | Drilling | \$736,4 | 141 | Com | pletion | \$746,667 | | Well ' | Total | \$1,483,108 | |
| MD | 9,890 | TVD | 9,890 | Progress | 0 | Days | 18 | MW | 0.0 | Visc | 0.0 |
| Formation: | | | PBTD : 9 | 0.008 | | Perf: 5633'- | -9733' | | PKR De | pth : 0.0 | |

MESAVERDE/WASATCH

Activity at Report Time: FLOW TEST-INITIAL PRODUCTION-ON SALES

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS THRU TEST UNIT. 24/64" CHOKE. FTP 800 PSIG. CP 2250 PSIG. 42 BFPH. RECOVERED 988 BLW. 12131 BLWTR. 500 MCF. BRECO TEST SEPARATOR WENT DN @ 12:00 AM. WAITING ON REPAIR TO

SELL GAS.

TURNED TO GAS SALES. SITP 650 & SICP 1600 PSIG. TURNED WELL TO QUESTAR SALES AT 2:30 PM, 3/28/08. FLOWING 107 MCFD RATE ON 24/64" POS CK. STATIC 318.

03/30/08: FLOWED 38 MCF, 82 BC & 60 BW IN 24 HRS ON 24/64" CHOKE, TP 500 PSIG, CP 2350 PSIG.

03/31/08: FLOWED 128 MCF, 35 BC & 70 BW IN 24 HRS ON 24/64" CHOKE, TP 500 PSIG, CP 2350 PSIG.

| 04-01-2008 | Reported | l By | BAUSCH | | | | |
|-------------------|----------|-----------|--------|------------|-----------|-------------|-------------|
| DailyCosts: Drill | ing : | \$0 | | Completion | \$3,850 | Daily Total | \$3,850 |
| Cum Costs: Drill | ing | \$736,441 | | Completion | \$750,517 | Well Total | \$1,486,958 |

0.0 9,890 **TVD** 19 0.0 Visc 9,890 **Progress** 0 Days MWMD

Formation:

PBTD: 9800.0 **Perf**: 5633'-9733' PKR Depth: 0.0

MESAVERDE/WASATCH

Activity at Report Time: FLOW TEST

Start End Hrs **Activity Description** 24.0 FLOWED 24 HRS, 24/64" CHOKE, FTP 750 PSIG. CP 2100 PSIG. 42 BFPH. RECOVERED 992 BLW. 11139 BLWTR. 06:00 06:00

800 MCF.

FLOWED 186 MCF, 20 BC & 350 BW IN 24 HRS ON 24/64" CHOKE, TP 700 PSIG, CP 2200 PSIG. THROUGH TEST

UNIT.

Form 3160-4 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0137 Expires: July 31, 2010

| | COLUMN ETICS | | | |
|------|--------------|-----------|--------------|--|
| WHII | COMPLEION | ORRECOMPL | FTION REPORT | |

| | WELL (| COMPL | ETION C | R REC | OMPLE | TION R | EPOR | RT AND L | .OG | | | ease Serial ITU76042 | | |
|------------------------------------|-----------------------------|------------------|--------------------|------------------------|-----------------------|---------------------|---------------------|------------------------------------|----------------------|------------------------------------|---------------|-------------------------|------------------|---|
| la. Type of | f Well | Oil Well | _ | Well [| Dry [| Other | | | | | 6. If | Indian, Al | lottee or | Tribe Name |
| b. Type of | f Completion | | | □ Work | Over | Deepen | □ P | lug Back | Diff. F | Resvr. | 7 11 | nit or CA | Agreeme | ent Name and No. |
| | | Othe | er | *** | | | | | | | 7. 0. | int of CA | -tgreenie | mit ivallic and ivo: |
| 2. Name of EOG R | Operator RESOURCES | S, INC. | E | -Mail: ma | Contact: ry_maesta | : MARY A s@eogre | A. MAES sources | STAS s.com | | | | ease Name IOSS 45-2 | | ell No. |
| 3. Address | 600 17TH DENVER, | | | 00N | | 3a. Ph | . Phone n: 303-8 | No. (include 824-5526 | area code |) | 9. A | PI Well No |). | 43-047-38959 |
| 4. Location | of Well (Rep | port locati | on clearly an | d in accor | dance with l | Federal red | quiremer | nts)* | | | 10. I | Field and P | ool, or I | Exploratory ES/WASATCH/MV |
| At surfa | | | L 2037FWL | | , | | | | | | 11. 5 | Sec., T., R. | , M., or | Block and Survey BS R23E Mer SLB |
| At top p | orod interval r | • | | | | | | | 11 W Lor | l | | County or I | | 13. State |
| | | SW 1060 | FSL 2037F\ | | | 109.3531 | , | | | | <u> </u> | INTÁH | | UT |
| 14. Date S ₁ 11/08/2 | pudded 2007 | | | te T.D. Re /15/2007 | eached | | | ate Complete & A 🔯 1/28/2008 | ed Ready to F | rod. | 17. I | Elevations 49 | (DF, KE 14 GL | 3, RT, GL)* |
| 18. Total D | Pepth: | MD TVD | 9890 | 1 | 9. Plug Bac | k T.D.: | MD TVD | | 00 | 20. Dej | oth Bri | dge Plug S | | MD TVD |
| 21. Type E RST/C | lectric & Oth BL/CCL/VDL | er Mechar JGR | nical Logs R | ın (Submi | t copy of ea | ch) | | | | well core DST run? tional Su | r | No No No | ☐ Yes | (Submit analysis) (Submit analysis) (Submit analysis) |
| 23. Casing a | nd Liner Reco | ord (Repo | rt all strings | set in well | 1) | | | | | | | | | |
| Hole Size | Size/G | rade | Wt. (#/ft.) | Top (MD) | Botton (MD | | Cement Depth | | f Sks. & f Cement | Slurry (BB | | Cement | Top* | Amount Pulled |
| 12.250 | 9.6 | 325 J-55 | 36.0 | | 0 20 | 353 | | | 750 | | | | | |
| 7.875 | 4.50 | 0 P-110 | 11.6 | | 0 98 | 380 | | | 2140 | | | | | |
| | | | | | + | _ | | _ | | <u> </u> | | | | |
| | <u> </u> | | | | | - | | | | | | | | |
| | | | | | | | | | | 1 | | | | |
| 24. Tubing | Record | | | | | | | | | | | | | |
| | Depth Set (M | | acker Depth | (MD) | Size E | Pepth Set (| MD) | Packer Dep | oth (MD) | Size | De | pth Set (M | (D) | Packer Depth (MD) |
| 2.375 25 Produci | ng Intervals | 8234 | | | | 26. Perfor | ration Re | ecord | | | 1 | | | |
| | ormation | Т | Top | | Bottom | | | ed Interval | | Size | | No. Holes | T | Perf. Status |
| | CH/MESAVE | RDE | | 5633 | 9733 | | | 9606 T | 0 9733 | | | . 3 | 3 | |
| B) | | | | | | | | 9425 T | O 9546 | | | 3 | 3 | |
| <u>C)</u> | | | | | | | | 9016 T | | | - | 3 | + | |
| D) 27 Acid Fi | racture, Treat | ment Cer | nent Sauceza | Etc | | | | 8743 T | O 8933 | | | 3 | 31 | |
| | Depth Interva | | | , Litt. | | | | Amount and | Type of N | Material | - | | | |
| | | | 733 39,019 | ALS GEL | LED WATER | ₹ & 99,100 | | | - JF | | | | | |
| _ | 94 | 25 TO 9 | 546 36,369 (| GALS GEL | LED WATE | R & 76,400 | # 20/40 | SAND | | | | | | |
| | | 16 TO 92 | | | LED WATE | | | | | | | | | |
| 28 Product | 87 ion - Interval | | 933 45,462 (| SALS GEL | LED WATER | ₹ & 119,80 | 0# 20/40 | SAND | | | | | | |
| Date First | Test | Hours | Test | Oil | Gas | Water | | l Gravity | Gas | | Product | ion Method | | |
| Produced 03/28/2008 | Date 04/02/2008 | Tested 24 | Production | BBL 20.0 | MCF 800.0 | BBL 350 | | orr. API | Gravit | у | | FLO | WS FBC | DM WELL |
| Choke | Tbg. Press. | Csg. | 24 Hr. | Oil | Gas | Water | Ga | as:Oil | Well S | status | | . 20 | | |
| Size 24/64" | Flwg. 800 SI | Press. 2100.0 | Rate | BBL 20 | MCF 800 | BBL 350 | | atio | | PGW | | | | |
| | ction - Interva | | <u> </u> | <u></u> | | 1 30 | | | | - | | | | |
| Date First | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | | il Gravity orr. API | Gas Gravit | v | Product | ion Method | RE | CEIVE |
| Produced | | | | | | | | | | • | | | * 8 | CEIVED |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | | as:Oil atio | Well S | status | | | APF | 3 0 2008 |

| 28h Prod | luction - Interv | rol C | | | | | | = | _ | | |
|------------------------|-----------------------------------|-----------------|--------------------|--------------|--------------|--|--------------------------|---------------|----------------------------------|---|--|
| Date First | Test | Hours | Test | Oil | Gas | Water | Oil Gravity | Gas | | Production Method | |
| Produced | Date | Tested | Production | BBL | MCF | | Corr. API | Gravit | ty | Froduction Method | |
| Choke Sìze | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well S | Status | • | |
| 28c. Prod | uction - Interv | al D | | | | | *** | | | | |
| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | | Oil Gravity Corr. API | Gas Gravit | y | Production Method | |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | | Gas:Oil Ratio | Well S | Status | • | |
| 29. Dispo | sition of Gas(S | Sold, used j | for fuel, vent | ed, etc.) | <u> </u> | | | | | • | |
| 30. Sumn | nary of Porous | Zones (Inc | lude Aquife | rs): | | | | | 31. For | rmation (Log) Markers | · · · · · · · · · · · · · · · · · · · |
| tests, | | | | | | ntervals and all flowing and sh | | es | | | |
| | Formation | | Top | Bottom | | Descriptions | , Contents, etc | c. | | Name | Top Meas. Depth |
| | H/MESAVER | | 5633 | 9733 | | | | | MA UT WA CH BU PR | REEN RIVER AHOGANY ELAND BUTTE ASATCH HAPITA WELLS JCK CANYON RICE RIVER DDLE PRICE RIVER | 2210 2855 5001 5159 5765 6427 7591 8353 |
| Pleas inforn | se see the att nation. | ached she | et for detai | led perfora | tion and a | dditional form | ation marker | | | | |
| | e enclosed atta ectrical/Mecha | | (1 full cat *a | o'd) | | 2. Geologic R | enort | 3 | DST Re | enort 4 Direct | ional Survey |
| | ndry Notice fo | _ | • | - | | 6. Core Analy | - | | Other: | port 4. Direct | iona ourvey |
| J. 54 | | r000 | | | | <i>-</i> | = | · | | | |
| 34. I here | by certify that | the forego | - | ronic Subn | nission #599 | plete and corre 942 Verified by SOURCES, I | v the BLM W | ell Inform | | e records (see attached instruc stem. | tions): |
| Name | (please print) | MARY A. | MAESTAS | <u> </u> | | | Title [| REGULATO | ORY AS | SSISTANT | |
| Signa | ture M | (Alectron | Submissi | blocing | çu. | | Date (| 04/29/2008 | | | |
| Title 18 U | J.S.C. Section | 1001 and 7 | Title 43 U.S. | C. Section 1 | 212. make | it a crime for a | ny person kno | wingly and | willfully | to make to any department o | ragency |

of the United States any false, fictitious or fradulent statements or representations as to any matter within its jurisdiction.

Hoss 45-29 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

| 3/spf |
|-------|
| 3/spf |
| |

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

| 8513-8667 | 54,765 GALS GELLED WATER & 156,300# 20/40 SAND |
|-----------|--|
| 8357-8469 | 50,460 GALS GELLED WATER & 140,000# 20/40 SAND |
| 7918-8186 | 41,548 GALS GELLED WATER & 103,600# 20/40 SAND |
| 7596-7857 | 64,270 GALS GELLED WATER & 184,700# 20/40 SAND |
| 7203-7449 | 40,330 GALS GELLED WATER & 107,000# 20/40 SAND |
| 6606-7030 | 42,414 GALS GELLED WATER & 99,600# 20/40 SAND |
| 5809-5887 | 46,877 GALS GELLED WATER & 132,000# 20/40 SAND |
| 5735-5759 | 29,125 GALS GELLED WATER & 77,300# 20/40 SAND |
| 5633-5666 | 28,813 GALS GELLED WATER & 76,420# 20/40 SAND |

Perforated the Lower Price River from 9606-07', 9617-19', 9630-31', 9656-57', 9662-63', 9666-67', 9673-74', 9699-9700', 9704-05', 9710-11', & 9732-33' w/ 3 spf.

Perforated the Lower Price River from 9425-26', 9438-41', 9486-88', 9529-30' & 9542-46' w/ 3 spf.

Perforated the Lower/Middle Price River from 9016-17', 9046-47', 9055-56', 9059-60', 9106-07', 9140-41', 9202-03', 9218-20', 9240-41', 9254-55' & 9286-87' w/ 3 spf.

Perforated the Middle Price River from 8743-44', 8755-56', 8773-74', 8810-11', 8844-45', 8852-53', 8860-61', 8887-89', 8916-17', 8925-26' & 8932-33' w/ 3 spf.

Perforated the Middle Price River from 8513-14', 8520-21', 8530-31', 8550-51', 8580-81', 8619-20', 8622-23', 8636-37', 8653-54', 8660-61' & 8666-67' w/ 3 spf.

Perforated the Middle Price River from 8357-58', 8367-68', 8372-73', 8402-03', 8411-12', 8417-18', 8423-24', 8453-55' & 8468-69' w/ 3 spf.

Perforated the Upper Price River from 7918-19', 7934-35', 7940-41', 7948-49', 7970-71', 7984-85', 8005-06', 8080-81', 8160-61', 8174-75', 8180-81' & 8185-86' w/ 3 spf.

Perforated the Upper Price River from 7596-97', 7605-06', 7626-27', 7636-37', 7708-09', 7713-14', 7719-20', 7749-50', 7757-58', 7763-64', 7822-23' & 7856-57' w/ 3 spf.

Perforated the North Horn from 7203-04', 7209-10', 7219-20', 7234-35', 7263-64', 7293-94', 7340-41', 7355-56', 7399-7400', 7437-38', 7444-45' & 7448-49' w/ 3 spf.

Perforated the Ba from 6606-07', 6619-20', 6699-6700', 6735-36', 6799-6800', 6837-38', 6871-72', 6924-25', 6930-31', 6935-36', 6970-71' & 7029-30' w/ 3 spf.

Perforated the Ca from 5809-10', 5821-22', 5825-26', 5829-30', 5841-42', 5844-45', 5849-51', 5860-61', 5874-75', 5882-83' & 5886-87' w/ 3 spf.

Perforated the Pp from 5735-38', 5745-48' & 5753-59' w/ 3 spf.

Perforated the Pp from 5633-37', 5645-49' & 5662-66' w/ 3 spf.

52. FORMATION (LOG) MARKERS

| Lo | wer Price River | 9212 |
|----|-----------------|------|
| S | ego e | 9757 |

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

REPORT OF WATER ENCOUNTERED DURING DRILLING

| Well name and numb | er: HOS | S 45-29 | | | | |
|---------------------------|-----------|------------------|-----------------------------|--------|------------|----------------------|
| API number: <u>430473</u> | 8959 | | | | | |
| Well Location: QQ SE | SW Sect | tion <u>29</u> T | ownship <u>8S</u> Range | 23E | County U | IINTAH |
| Well operator: EOG | | | | _ | | |
| Address: 1060 | E HWY 4 | 0 | | - | | |
| city VI | ERNAL | | state UT zip 84078 | _ | Phone: _ | (435) 781-9111 |
| Drilling contractor: Pl | RO PETR | 10 | | _ | | |
| Address: PO B | OX 870 | | | _ | | |
| city V | ERNAL | | state UT zip 84078 | _ | Phone: _ | (435) 789-4729 |
| Water encountered (a | ttach add | litional pages | s as needed): | | | |
| | DEPT | Н | VOLUME | | | QUALITY |
| FRO | | то | (FLOW RATE OR H | EAD) | | (FRESH OR SALTY) |
| 2,2 | 50 | 2,260 | NO FLOW | | | NOT KNOWN |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| <u>-</u> | | | | | | |
| | | | | | | |
| <u></u> | l | | <u> </u> | | | |
| Formation tops: | 1 | | 2 | | | 3 |
| (Top to Bottom) | 4 | | | | | |
| | · - 7 | | | | | |
| | 10 _ | | | | | |
| | - | | | | | |
| If an analysis has bee | n made o | of the water | encountered, please atta | ch a c | opy of the | report to this form. |
| | | - | | | | |
| | - | | e to the best of my knowled | ge. | | |
| NAME (PLEASE PRINT) Mar | y A. Maes | stas | | TITLE | Regulator | y Assistant |
| SIGNATURE WAR | اک مید | M_{α} | v Xm | DATE | 4/29/2008 | } |